

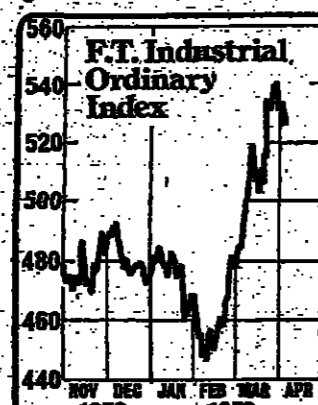


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NEWS SUMMARY

GENERAL Thorpe given trial delay. BUSINESS Equities off 6.9; Gilts easier.



The Old Bailey trial of former Liberal leader Jeremy Thorpe has been put back eight days so that Mr. Thorpe can defend North Devon in the General Election.

Print case lost. The National Graphical Association has lost its appeal against an order forcing it to lift a backing campaign against advertisers using the Nottingham Evening Post.

Airport bombing. West Germany fears a fresh outbreak of bombings following a blast at Frankfurt's regional airport in which ten Lufthansa employees were injured, three seriously.

N-risk reduced. Scientists at the crippled nuclear reactor on Three Mile Island in Pennsylvania said the situation had improved to the point where it was now unlikely a mass evacuation would be needed.

Terror sentence. James Boswell, 51, a member of the Ulster Volunteer Force, was jailed for 12 years in Edinburgh for collecting 18 sticks of gelignite to be used in acts of terrorism.

Giscard warned. Jacques Chirac, leader of the Gaullist Party on which President Giscard depends for his party's parliamentary majority, says the President will lose his re-election campaign in two years unless he changes economic and foreign policies.

Bhutto raids. Pakistan police raided the three homes of condemned former Premier Bhutto and took away what they called 'secret documents pertaining to State security'.

Police chief vote. Sir Kenneth Newman, Ulster's Chief Constable, may have to resign if he loses a vote of confidence at a meeting of the Northern Ireland Police Authority on Friday.

Border date. Egypt and Israel will open their Sinai Desert border on May 27. The move was announced by Israel's Premier Begin after talks with President Sadat of Egypt.

Briefly... Tanks and troops moved into Gonaab Karyu, north-east Iran, to quell sectarian fighting. China will not renew its 30-year friendship treaty with the Soviet Union next year. British Rail plans to run 550 extra trains over Easter. Impressionists sale at Christie's realised more than £1.5m. Saleroom, Page 7.

Table with columns for RISES and FALLS, listing various commodities and their price changes.

Moves to reduce overseas debt announced with 'caretaker Budget'

Britain may repay \$5bn this year

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BRITAIN may repay more than \$5bn (£2.44bn) out of \$24bn of her official overseas borrowings this year. This will help substantially to reduce the hump of debt repayment in the early 1980s, though the impact will be partially offset by raising of new medium-term loans.

over to allow scope for a full review by a new government. Mr. Healey said that while the outcome for the year to mid-April would not be known for six weeks, the indications were that the growth of sterling M3 had been in the middle of the 8 to 12 per cent target range.

BL confirms talks with Honda on joint car manufacture

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

BL yesterday confirmed that it was discussing with Honda, the Japanese motor manufacturer, 'possible areas for technical and business collaboration.'

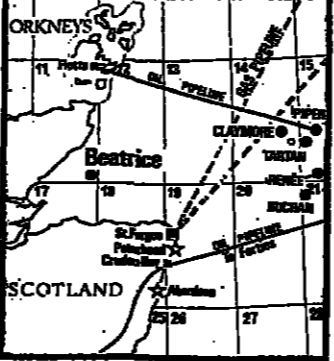
as long as someone employs me and is a reasonable employer, I don't give a damn whether he is British, German or Japanese. There was some concern among other major European car makers, however. It was felt that the link with BL could provide the Japanese with their first manufacturing base in Europe.

BNOC buys Mesa oil interests

BY KEVIN DONE, ENERGY CORRESPONDENT

THE British National Oil Corporation has signed a preliminary agreement to buy all the UK interests of Mesa Petroleum, the independent U.S. company. The purchase is a major move to strengthen BNOC's North Sea operations.

which it is expected to exercise, to take one-third of the Crestline interest. The Beatrice Field partnership has been unsettled for a long time and in the last three months there has been a major re-alignment of interests.



Both parties hint at more cuts in tax

BY RICHARD EVANS, LOBBY EDITOR

MR. DENIS HEALEY, Chancellor of the Exchequer, and Sir Geoffrey Howe, the Shadow Chancellor, gave clear hints yesterday that cuts in direct taxation would feature in any Budget to be presented after the General Election.

Table titled 'PROPOSED CHANGES IN PERSONAL INCOME TAX ALLOWANCES' showing implementation after August 1, 1979/80.

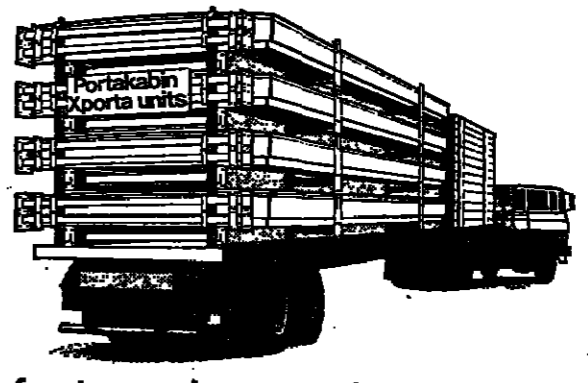
Table showing tax allowances for single and married persons, including earned income allowance, pensioner's allowance, and married person's allowance.

spokesmen ahead of a campaign in which the Government's handling of the economy and the implications of the Tory alternative are bound to feature prominently.

The only hint he gave of future tax changes under a Labour Government was his reference to the indexation of tax allowances under the Rooker-Wise amendment incorporated into last year's Finance Act.

Table of Contents listing various articles and their page numbers, including BL-Honda, Steel, Tunisia, and Lombard.

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EUROPEAN NEWS

Britain warned as EEC delays steel code debate

BY GILES MERRITT IN LUXEMBOURG

THE EEC Foreign Ministers have decided to postpone until June further moves on the question of limiting national aids to steel producers. Britain has, nevertheless, been warned that failure to agree to the proposed six-point code on aids could cause the European Commission to take Britain to the European Court of Justice.

Greece raises fuel prices in bid to save energy

BY OUR ATHENS CORRESPONDENT

THE GREEK Government yesterday announced a series of energy saving measures following oil price increases announced by OPEC last month. The price of petrol, already among the highest in the world, was raised by 18 per cent to Dr 26 a litre (34p) a gallon for high octane and Dr 23 a litre (30p) a gallon for regular.

Paris block on textiles negotiations with China

By Guy de Jongh, Common Market Correspondent in Luxembourg

FRANCE YESTERDAY prevented the EEC from opening formal negotiations with China on a planned agreement on textiles. The French action, at a meeting of EEC Foreign Ministers in Luxembourg, came as a surprise.

Berlinguer keeps his options open

BY RUPERT CORNWELL IN ROME

ITALY'S Communist Party leader, Sig. Enrico Berlinguer, sent his party into the electoral fray yesterday with the warning that the campaign will be much harder than in June 1976, when the party won 34 per cent of the popular vote.

The Christian Democrats had enrolled greater working class support than the Communists. The division within the party leadership over the path to follow after the Communists' unhappy experiences of the past three years has been made clear in three days of debate.

Poor turnout by Spaniards in local poll

BY ROBERT GRAHAM IN MADRID

SPANIARDS made a poor turnout when they went to the polls yesterday, to vote in free municipal elections for the first time since 1932.

Parties. A low poll is expected to favour candidates of the Left. Attention will also focus on the regional parties, particularly in the Basque country, but also in Andalusia and Catalonia.

POLAND CUTS BACK GROWTH TARGETS

Priority goes to debt repayment

BY CHRISTOPHER BOBINSKI IN WARSAW

DISCLOSURE of the fact that some 54 per cent of Poland's expected hard currency earnings this year will have to be earmarked for debt servicing has helped to remove one of the major uncertainties about Poland's external financial situation.

mining area around Katowice are estimated to total some 5m tons because the railways cannot transport it away. Some of the extra funds allocated to the energy industry are to be invested in special low-temperature unloading equipment as well as improvements to the grid system to help share the load more equally.

Saudis in Ankara to sign \$250m loan

By Mehin Munir in Ankara

SHEIKH Muhammad Aba al-Khalil, the Saudi Minister of Finance, arrived here yesterday to discuss project credits for the Turkish public sector from the Saudi Fund for Development.

Through this visit, Ankara also wants to soothe anxieties in the West that it is growing too close to Colonel Muammar Gaddafi, Libya's volatile leader.

Bid to try Menten

The chief public prosecutor yesterday asked the Dutch Supreme Court to reverse a lower court decision to free Mr. Pieter Menten, the millionaire art collector, after his trial on Nazi war-crime charges.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription price \$25.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing offices.

Advertisement for Republic of Ireland featuring a large '28%' graphic and the text 'The highest return on investment in Europe. REPUBLIC OF IRELAND The most profitable industrial location in Europe.'

US Department of Commerce statistics for the period 74-77 show a 28% average annual return on investment for US manufacturers located in the Republic of Ireland - more than twice the European average. IDA Ireland The Irish government's industrial development agency has offices in London at 58 Davies St., London W1Y 1LB. Telephone 01-629 5941.

IDA Ireland also has offices in Dublin, Amsterdam, Paris, Cologne, Stuttgart, Milan, Copenhagen, Madrid, New York, Chicago, Los Angeles, Houston, Toronto, Sydney and Tokyo.

Chirac launches new attack on Giscard policies

BY DAVID WHITE IN PARIS

PRESIDENT Valéry Giscard d'Estaing will lose his campaign for re-election in two years' time if he holds to his present policies. This blunt warning came yesterday from the left-wing opposition, but from M. Jacques Chirac, leader of the Gaullist RPR party, which M. Giscard's government depends for its parliamentary majority.

It marked a further escalation in fierce verbal skirmishing between the Government and M. Chirac, who backed M. Giscard for President five years ago and who became his first Prime Minister.

Fresh from his overwhelming confirmation as party leader at a Gaullist conference at the weekend, M. Chirac brought new strength to his attacks on government economic and foreign policy.

The resurgence of bad blood between the Gaullist leadership and the Giscardian UDF party, which between them make up the government majority, is timed for the run-up to the European Parliament election in June, in which M. Chirac hopes to recoup some of the ground lost in recent domestic polls.

He strongly criticised M. Raymond Barre, the Prime Minister, for putting his weight explicitly behind the UDF list of candidates, which is headed by Mme Simone Veil, the Health Minister. Arguing that the Government was held up by two parties, M. Chirac



M. Jacques Chirac

threatened any of the Gaullist Ministers who did the same with election from the RPR.

French voters wishes to "see their interests defended better" against those of the remainder of the EEC made it imperative for the President to adopt new policies.

If the Government continued on its present course, no candidate from the existing majority would stand a chance in the presidential elections, he added, citing the strong opposition performance in last month's cantonal voting.

Polish incomes grow 7%

BY CHRISTOPHER BOBINSKI IN WARSAW

PRIVATE incomes grew faster than production in Poland during the first three months of this year, according to preliminary estimates issued by the Ministry of Finance in Warsaw.

Total incomes paid to the population in the first quarter grew by about 7 per cent compared to the same period in 1978, but supplies of consumer goods in January and February were 5 per cent down on the same months last year.

This has been caused by production losses resulting from power cuts, transport bottle-

necks and other dislocations stemming from the heavy winter.

As a result, savings grew by Zl 20bn (about £330m) in the first quarter from Zl 409bn (£6.8bn) in the banks at the end of 1978—a 38 per cent growth compared to the first quarter last year.

Finance officials point out that the first quarter saw annual production bonuses paid out in the form of savings cheques rather than cash. It goes some way towards explaining the high rate of savings growth.

Taxman exposes wealth of Spain's richest families

BY ROBERT GRAHAM IN MADRID

THE FRANCO régime's veil of secrecy surrounding private wealth has been removed by the Finance Ministry's decision to publish the 1977 tax returns. For the first time, Spaniards can see who really has the money.

It is not, as popular legend has it, Cayetana Fitzjames Steward, Duchess of Alba (on whose land one can theoretically walk from one end of Spain to the other). But a group of six or seven families all of whom have made their money in the last 50 years.

The richest, Sr Jose Maria Ruiz-Mapeos, 48, has built up Spain's largest private holding company, Rumasa, in just over 15 years. His declared capital for tax purposes is Pta 88,9bn (£65m). Two other members of his family have declared another £26m capital.

With one exception, the common strand in this new wealth is banking. Excluding Sr Ruiz-Mapeos, most owe their fortunes to a privileged relationship with the former Franco régime.

The one non-banking family is that of Areeces Rodriguez,

who returned from Cuba in the mid-30s and established El Corte Ingles, now Spain's largest department store chain.

Sr Ruiz-Mapeos' empire has been built on the wine trade (he bought William and Humboldt and Augustus Barnett in the UK). He is well diversified in property, agribusiness, insurance, hotels and banking. Rumasa has the eighth biggest group of banking interests.

The other families—Botin, Coca, Fierro and March—are all directly associated with

banking. Sr Emilio Botin, the head of the family, is the presiding head of Banco de Santander.

The Fierros are the main shareholders in Banco Central, having last year merged their Banco Iberico, but retaining important industrial assets. The Coca family sold out their bank last year to Banesto, to become that bank's largest shareholder in the biggest banking empire in Spain.

The Marchs own the bank of that name, and the second generation derive their wealth from the initiative of a little-

known Majorcan who thrived during the Civil War.

The net worth of three Cocas mentioned in the leading list of owners of capital totals £33m similar to the wealth of three Fierros, while the net worth of three Botins is declared to be £29m.

The taxman has been able to expose this wealth due to a new tax on capital, and new laws permitting inspection of bank accounts. By most European standards, the tax paid on this capital is modest. For instance, Sr Ruiz-Mapeos paid £1.5m on his declared capital.

Returns on income tax have also been made public. The man receiving the highest salary, according to a preliminary scrutiny, is Sr Ramon Areeces Rodriguez, head of El Corte Ingles. He receives a total emolument of £750,000 a year.

Of the bankers, Sr Emilio Botin is among the highest paid, with almost £500,000. Of the politicians, the highest paid is Sr Blas Pinar, the Fascist lawyer and leader of the Union Nacional. His earnings are equivalent to £117,000.

Charles Batchelor, in Amsterdam, examines the confrontation in Holland's annual wage negotiations

Talks stall on demand for shorter hours

AFTER A month of growing confrontation in the Netherlands' annual wage negotiations, the first signs are emerging of a resumption of talks between employers and unions.

So far the main change is in the Dutch metal industries, a traditional pace-setter in the yearly wage round. The unions have reacted positively to an invitation from the metal workers' federation to restart negotiations.

However, in general, employers, worried at the way wage costs are already well above those of their EEC competitors, have refused to give in to demands, in particular for a shorter working week.

The agreement reached in early February for 50,000 printing industry workers was followed later that month by an accord for 260,000 building trade employees. But, apart from the 40,000 painters and decorators who normally follow the trend set by the building workers anyway, 50,000 in the furniture and wood industry and a number of smaller sectors, the main employers' and union groups have been unable to reconcile their differences.

The largest Dutch steelmaker, Hoogovens, has been engaged in an acrimonious public debate with the unions for the past few weeks. Whereas the company can plead a succession of poor years and a problems of the world steel recession as a reason for not giving in to union demands, the banks and insurance companies have several very-profitable seasons behind them.

Talks in the textile and clothing sectors have been sus-

pending, while among the Dutch multinationals, Philips and Unilever are also at odds with their unions. At several other larger companies, notably Shell, AKZO and DSM, talks are still in a fairly early stage.

Apart from the printing, building and painting trades and the furniture and wood-working sectors the list of agreements reached in short. The 7,000 chocolate and sugar processors have accepted the employers' package while the Vroom en Dreesmann store group has also brought negotiations to a satisfactory conclusion.

In all, however, fewer than 500,000 of the 2.7m workers directly or indirectly engaged in talks have signed agreements.

The major obstacle in the stalled talks is the union demand for the 40-hour working week in industry to be reduced to 35 hours. Undismayed by the failure West German steelworkers to cut their working week by strike action, the Dutch unions are now seeking a fairer distribution of the available work.

During the course of negotiations the unions have reduced their demand to a gradual introduction of the shorter week, but the employers have refused to budge. In an effort to restart the talks in the metal sector, which involves 50,000 workers, the unions have offered to accept a cut of one hour in the working week this year, and have received a cautious welcome to this initiative.

The employers argue that any cut will increase their costs and ultimately put more workers on the dole. The largest employers'



Union leader Wim Kok

observer of the economic scene, has come to the employer's aid with a report on the impact of a shorter week. This has shown that it would lead to fewer jobs unless the unions were prepared to take a cut in their members' wages, and even if the wage cuts were accepted the effect would still be to reduce productivity.

Dismissed by the unions as a political stunt, the report nevertheless gives the most detailed analysis yet of the effects of the 35-hour week. If no wage cuts are accepted, a shorter week would lead to the loss of 35,000 jobs by 1983 and of double that number by 1988.

Productivity would fall by 2.1 per cent a year, while inflation would increase by 1.8 per cent annually.

If compensatory wage reductions were agreed, 45,000 jobs would be created by 1983 but production would still fall by 1.7 per cent and prices would rise by 0.7 per cent a year.

The employers have said they are prepared to consider shorter working in the future only after an independent study has been carried out of its effects.

Even the unions are divided over their claim for shorter working. The combined Socialist and Catholic FNV federation has said it will back individual unions which take strike action to support their demands. But a senior FNV Board member, Mr. Frans Drabbe, has pointed out that wage sacrifices will be needed.

While the normally aggressive industrial unions affiliated to the FNV have made a "last offer" of a one-hour cut in the working week to 39 hours this

year, the traditionally more moderate Protestant CNV federation has come out in favour of industrial action.

Speaking to a meeting of public service unions Mr. Wim Kok, chairman of the FNV, stressed that a strong union movement was necessary to defend the position of both the workers and the unemployed.

But even Mr. Kok, who has spearheaded the growing militancy of the Dutch unions in recent years, said he hoped industrial action would not be needed.

"The Dutch economy is not in such a flourishing position," he said. "We need a wave of social conflict as badly as we need a toothache."

After the breakdown of the central wage talks in November the Government has sat on the sidelines. As has become the pattern in recent years, the talks have been continued on an industry and company level when the central negotiations failed.

Mr. Willem Albeda, the Social Affairs Minister, told Parliament he did not think the time was ripe for the Government to intervene again although he thought all sides should get together to discuss the underlying problems of the labour market.

After the wave of strikes in the spring of 1977 which helped the unions achieve their aim of maintaining full price compensation last year's wage talks passed off without incident. Union attitudes have hardened this year, however, because of the new centre-right Government's plans to cut public spending.

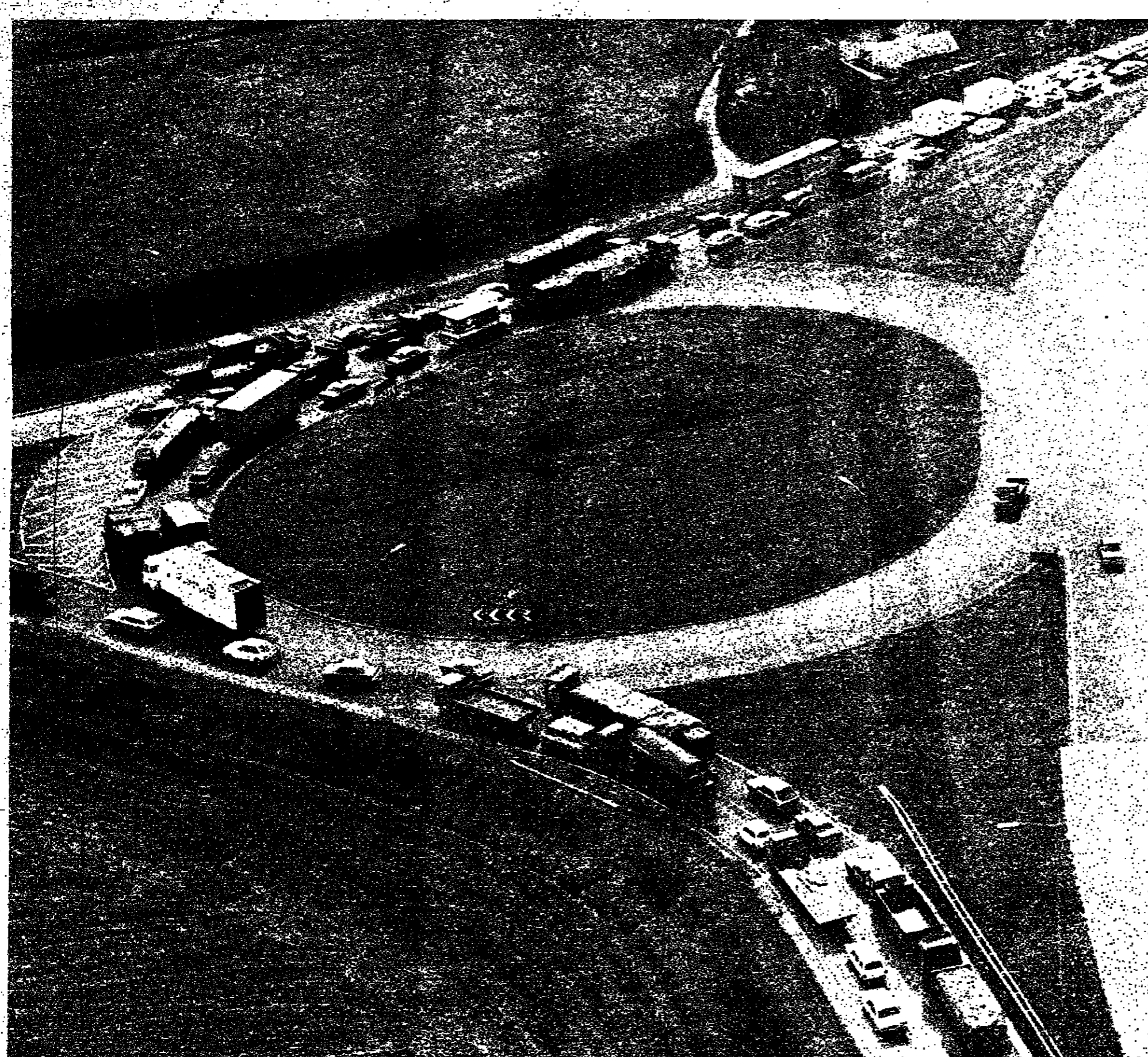
years elsewhere in Europe.

In a letter to Parliament, the seven major employers' organisations warned against Holland becoming "the blindfolded pioneer of shorter working, in particular of the shorter week, in Europe and the world."

They argue that they are not opposed to shorter working as such — the agreements reached so far this year allow for early retirement of older workers and longer holidays — but the shorter week is the most uneconomic way of redistributing work. Existing machinery would stand idle for longer and new labour-saving machinery would have to be installed.

The Central Planning Office, the Government's main forecasting organisation, but, in theory at least, an independent

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OVERSEAS NEWS

Police seize 'state papers' from three Bhutto homes

BY CHRIS SHERWELL IN ISLAMABAD

ARMED POLICE raided the three homes of Pakistan's ousted former Prime Minister Mr. Bhutto, early yesterday. Martial law authorities said the operation recovered "secret documents of an extremely sensitive nature."

A mercy plea made on Mr. Bhutto's behalf, officials insisted that no decision had yet been taken by the President, General Zia-ul-Haq.

The martial law authorities added that the bulk of the material was recovered from the Karachi residence, "hidden in obscure places such as secret closets in bathrooms, inside mattresses and in hidden chambers behind large-sized mirrors and cupboards."

Janata factions near showdown

By K. K. Sharma in New Delhi

A SHOWDOWN between rival factions in Mr. Morarji Desai's ruling Janata Party is expected this week and is likely to be far more serious than the six-month crisis that ended in January with Mr. Charan Singh's return to the Cabinet.

Threat of nuclear disaster recedes

BY DAVID BUCHAN IN WASHINGTON

THE THREAT of a disaster at the damaged nuclear power plant in Harrisburg, Pennsylvania, had greatly receded yesterday, but Government officials were doubtful whether it would ever generate electricity again, because of the high level of radioactive contamination.

"It might be a \$1bn mausoleum. It might be more expensive to clean the plant up than it was to build," said General Public Utilities parent company of Metropolitan Edison, announced on Monday, after requesting a suspension of trading in its shares on the New York Stock Exchange, that it was halting most construction on its other nuclear sites.

The NRC is examining safety at seven plants elsewhere in the country, designed and built by Babcock and Wilcox, the J. Ray McDermott subsidiary which constructed the Pennsylvania reactor. The NRC, which also controls the export of nuclear power plants, said that, as far as it knew, the only Babcock and Wilcox pressurised water reactor sold abroad had been to West Germany.

The hydrogen bubble by diffusing it into the cooling water piped into the reactor. They had also activated a "hydrogen recombiner" ejected in lead bricks, which helped blend hydrogen and oxygen to form water, drawing more gas from the reactor and speeding the time when the reactor could be brought to a cold shutdown.

Date set to open Sinai border

BY DAVID LENNON IN CAIRO

EGYPT and Israel are to open their common border along the Sinai Desert on May 27, Mr. Menahem Begin, the Israeli Prime Minister, announced after a meeting with Egypt's President Anwar Sadat, in Cairo yesterday.

Dr. Boutros Ghali, the Egyptian Deputy Foreign Minister, would visit Israel next week, and Mr. Moshe Dayan, the Israeli Foreign Minister, would travel to Cairo to exchange the instruments of ratification. Mr. Ezer Weizman, the Israeli Defence Minister, would also visit the Egyptian capital next week to discuss the withdrawal of Israeli troops from Sinai.

be the site of the opening of the Egypt-Israel talks on the Palestinian autonomy arrangement. Mr. Begin said committee meetings on the self-rule issue would start in Beersheba a month after the ratification documents are exchanged, and later meetings would alternate between Beersheba and El Arish.

\$1.1m to be shipped to Grenada

By Tony Cozier in Bridgetown

THE Eastern Caribbean Currency Authority has reversed an earlier decision and will immediately ship EC\$300 (U.S.\$1.12m) in notes to the new revolutionary Government of Grenada.

Brown campaigning upsets Democrats

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

The political Jerry of Governor Jerry Brown of California into New Hampshire on Monday night to promote his national ambitions (turned out to be the ultimate in non-events).

Mr. Brown, a Democrat, travelled across the country to New Hampshire, which holds the first presidential primary election next February, in order to testify in front of a State Assembly hearing on the balanced budget proposition, of which he is a leading advocate.

So, minutes before he was due to speak, he backed out — for obvious and acknowledged political reasons. "I need democratic friends in New Hampshire," Mr. Brown observed, though whether he succeeded in mollifying the democratic hierarchy there is another matter.

Party mends its image—50 years on

By William Chislett in Mexico

MEXICO'S ruling institutional revolutionary party (PRI) is celebrating its 50th anniversary in power and using the occasion to try to improve its image. But few people believe that the PRI's changes are anything more than an attempt to retain power for another 50 years.

Troops enter Turkoman town

GONBAD-E-KABUS—Iranian armed forces moved unopposed into this town on the Soviet border yesterday after a week of fighting between Turkoman rebels and pro-Government Islamic militia.

Invaders' guns soften up defences of Kampala

BY MARK WEBSTER IN NAIROBI

TANZANIAN ARTILLERY continued to pound the Ugandan capital, Kampala, and its surroundings yesterday as residents awaited the final assault by Tanzanian-backed invasion forces.

ground lost during a recent counter-attack led by Libyan soldiers fighting for President Amin. Entebbe airport was reported closed to all traffic yesterday after raids by Tanzanian MIG fighters. But airport officials said only slight damage had been done and had already been repaired.

Peking to end friendship pact

PEKING—China said yesterday that it would not renew its 30-year friendship treaty with the Soviet Union when the pact expired next year.

U.S. airline strike grows

CHICAGO—United Airlines management began making flights from Hawaii to the mainland yesterday, to help out thousands of travellers stranded by a strike against the airline.

Vance fails to soothe poor states

BY A SPECIAL CORRESPONDENT

SEATTLE—President Carter's Administration is attempting to avoid a serious confrontation with developing nations at the fifth UN Conference on Trade and Development (UNCTAD V) in Manila in May.

Mexican oil price defended

BY OUR MEXICO CITY CORRESPONDENT

PRESIDENT Jose Lopez Portillo of Mexico yesterday defended his country's decision to raise its oil prices above the 9 per cent decided by the world's main oil exporters.

TUNISIAN PROSPECT

Looking beyond Bourguiba

BY DAVID WHITE, RECENTLY IN TUNIS

WHEN Habib Bourguiba, now in his late 70s, was made life President of Tunisia four years ago, he had already made provision for the vacuum that sooner or later would be created by his departure.

group is the Social Democrats' Movement, which could not contemplate mounting an election campaign. As a low-key reformist movement it is losing political credibility. Further left there are two clandestine groups, the Tunisian Communist Party, pro-Soviet and close to the French Communists, and the Popular Unity Movement, principally active among Tunisians living abroad.

Mr. Nouria is pro-western, pro-private sector, but not pro-multi-party democracy. Tunisia is not prepared to accept other



Habib Bourguiba—succession arranged

exude well-being. The UGTT is under docile new leadership and is preparing for another annual wage pact with the Government. People talk freely. Police activity is generally normal. Tunis University is subject to frequent strikes which go unreported in the time daily press.

The key figures of the labour unrest are still in prison. The leaders were rounded up—some are alleged to have been tortured—tried and sentenced to generally mild terms. Mr. Achour was given 10 years, but his trial had more echoes abroad than in Tunisia.

Since Mr. Nouria is already running the Government for Mr. Bourguiba—a shadow, these days, of his former extraordinarily vital self—accession would seem unlikely to herald much change. But Mr. Nouria is 67 and while both he and Mr. Bourguiba may, of course, still be there through another term, it is hard to imagine Tunisia having a head of state in his 80s and a Prime Minister in his 70s and not asking itself some questions.

But it would be wrong to overstate the power potential of Mr. Nouria. Neither he nor anybody else will be able to command as President the same authority or respect as the "Supreme Combatant," Mr. Bourguiba. It seems inevitable that the post-Bourguiba period will produce a more open contest within the party, possible that it will see the emergence of other political groups, conceivable that Tunisia's small army and its three generals might assume a more active role.

People in government are eminently aware of the problems they can count to a large extent on the success of their social policy, which gives Tunisians advantages over their fellows in most other African or Arab countries. The Government has devoted more than half its budget in the past three years to social spending, which rises to 20 per cent a year.

especially law, and the traditionally volatile science faculty. Then there is that thorn on Tunisia's eastern flank, Col. Gaddafi's Libya. Relations have been bad since the diplomatic spat of the 1974 merger pact. The two countries are arguing about some hijackers who landed in Tripoli, about an arms cache found on the Tunisian border and about ownership of the Gulf of Gabes oil and gas platform.

A third area of pressure is economic. The Libyan offshore dispute will not be solved by the International Court at The Hague for at least two years, so Tunisia has to fall back on its own resources. But having 10 times as many olive trees as people does not mean self-sufficiency. The aim is to balance farm trade by 1981, but 1985 would be a safer bet. Agriculture, hit by two years' bad weather, is well below its potential, and for political reasons the Government is unenthusiastic about agrarian reform.

Exports only cover half of Tunisia's purchases. After slapping on heavy luxury import taxes last year, the Government is planning further measures to slow down consumption. The Prime Minister accepts a reasonable deficit as inevitable at the time when the country is investing. But its new export industries and its growth rate of about 6 per cent a year are seriously endangered by EEC enlargement and possible loss of the most important markets.

Good intentions

BY DAVID WHITE, RECENTLY IN TUNIS

Mr. Carvajal, aged 39, is full of good intentions. He realises that while the PRI has given Mexico an unprecedented period of stability, it cannot last forever. The country's oil wealth has raised the expectations of Mexicans, who want more political freedom and a more just society. Unemployment and underemployment are over 10 per cent and the gulf between rich and poor is vast.

Most presidents have had their man as PRI President

BY DAVID WHITE, RECENTLY IN TUNIS

Most presidents have had their man as PRI President before they have completed two years in office, but has taken Sr. Lopez Portillo longer.

Bigger Congress

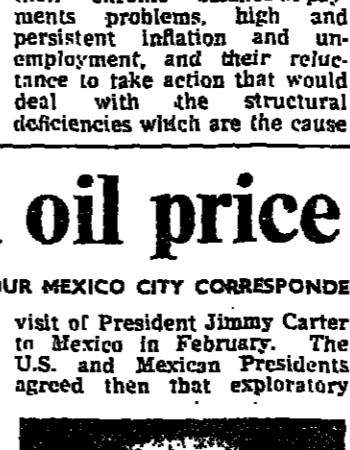
BY DAVID WHITE, RECENTLY IN TUNIS

The PRI has won all elections for President, State Governor and Senator since 1929 and at present holds 196 of the 197 elected seats in the Congress. Through a system of minority representation 41 Opposition deputies also sit in the Congress.

Some changes are afoot

BY DAVID WHITE, RECENTLY IN TUNIS

Some changes are afoot in preparation for July's Congressional elections when Left-wing Opposition parties will go to the hustings for the first time. The number of seats in the Congress will increase to 300 elected directly from constituencies and another 100 through proportional representation.



Sr. Lopez Portillo

of exporting gas and would use it all domestically. Only if there was a surplus, would gas be exported. The U.S. State Department and the Energy Department officials will first want to establish what kind of surplus Mexico has before any detailed discussions can be started.

At the moment, Mexico produces about 2.5bn cu ft of gas a day. According to Pemex, only about seven per cent of production has to be flared for lack of use. Unofficially the percentage flared is put higher. Last month, a 587m national gas pipeline linking Cactus in the southern oil fields to San Fernando in the industrial north was opened.

While he agreed with many economists who felt the OPEC increases could harm the economies of Western countries, "the developed countries have ways of taking care of themselves because they have other products they can sell at higher prices."

Meanwhile, it was announced that a team of U.S. officials was due to arrive in Mexico City to start the first round of discussions with the Mexican Government on the possible sale of natural gas to the U.S.

Negotiations to sell 1.7m cu ft of gas a day at \$2.60 per 1,000 cu ft broke down at the end of 1977 when the U.S. Energy Department vetoed the price agreed between Pemex, the State-owned oil monopoly, and U.S. gas distribution companies. Talks are on again after the

Handwritten signature: David White

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WORLD TRADE NEWS

GATT NEGOTIATIONS

Discord still threatens deadline

BY BRIJ KHINDARIA IN GENEVA

CONTINUING DISPUTES between developed and developing countries on some key elements of the Tokyo Round trade package have cooled optimism here that the negotiations will be concluded before Easter.

A sharp confrontation is expected, for instance, over a proposed code to regulate and facilitate customs valuation procedures.

A code drawn up by developed nations lays down a step by step procedure to allow customs authorities to evaluate imported goods in order to calculate customs duties.

Under this system the invoice value would in most cases be accepted by the authorities. Where there is doubt about the accuracy of the value stated in the invoice customs authorities would move progressively through a series of valuation methods. They would begin on

the basis of the value of identical goods, and if that were not possible would use the value of similar goods.

If none of these methods were practicable they would use a "deductive value" based on the selling price in the importing country minus costs added on after importation. Alternatively, they might choose to use "computed value" based on a computation of production and transport costs.

This version of the code would oblige customs authorities to apply the step-by-step procedure of valuation to all cases except transactions between related companies, such as those between a subsidiary and its foreign parent.

If the customs authorities refused to accept the invoice value these related companies would be allowed to choose the method of valuation.

Developing countries have raised strong objections to this flexibility. They say the code is biased towards multinational

corporations who refuse to disclose their transfer pricing structures and often under-invoice goods produced by a developed country parent on the ground that similar goods produced by a poor country subsidiary are much cheaper.

The dispute has taken such serious proportions that the developing countries have tabled their own separate version of the customs valuation code.

It is now likely that one of the two versions will have to be chosen by vote by Tokyo Round participants. If the developing country version is chosen, it is possible that the developed nations may still not sign it.

Another major dispute has emerged over the proposed code on subsidies and countervailing duties. This code contains a list of practices defined as subsidies to boost exports and a separate list of examples of subsidies given for domestic reasons but which could indirectly boost exports.

Developing countries argue that in their case the list of export subsidies should be less restrictive because they give subsidies to offset disadvantages rather than to enhance any advantages.

In addition the developing countries want to ensure that government ownership is not listed as a domestic subsidy, because such ownership is generally used by developing countries to undertake infrastructure and other investments beyond the reach of local private enterprise.

A small but important difference concerning the proposed government procurement code also remains. Here the developing nations want the freedom to demand transfer of technology, in the form of licences, in return for opening up government purchases to foreign suppliers on an equal basis with domestic suppliers. But the U.S. is understood to be against extending the planned code's provisions.

Tokyo lifts procurement offer to U.S.

TOKYO—Japan is prepared to make a new offer in U.S.-Japan trade negotiations by raising its annual Government purchases from foreign suppliers to between \$6bn and \$6.5bn (£2-£2.25m), Government officials say.

In talks held in Washington last week, the U.S. rejected a Japanese proposal to open up about \$5bn of its national procurement to foreign suppliers.

The new offer followed a Cabinet meeting where Mr. Nobuhiko Uehara, the Japanese trade representative who met in Washington last week with Mr. Robert Strauss of the U.S., said a new offer was needed to break the deadlock on the trade talks.

Mr. Sunao Sonoda, the Foreign Secretary, will meet officials in Washington in the next few days to sound out U.S. reaction to the new Japanese procurement offer.

Textile producers seek 'robust' support from EEC

BY RHYS DAVID

THE EUROPEAN textile industry, which is due to meet the EEC Commission next month for talks on an industrial strategy for the sector, is likely to put on the table a number of key points on which it wants satisfaction as its price for constructive co-operation.

In particular, the industry is to press the EEC to follow the robust approach adopted by the U.S. Administration which has given a commitment of continued support to its textile producers. A similar statement from the Commission is seen as essential if producers in Europe are to escape from the present uncertainty which surrounds mid-term and long-term contracts.

The industry also wants assurances that it will not be used as a bargaining centre for the benefit of other industries, notably the capital equipment industry, with textile imports being traded off in return for

sales of plant and machinery to developing countries.

The industry's position was outlined yesterday in a speech to the British Textile Confederation by M. Marc Santini, the Belgian President of the Comitéxtil, the organisation representing EEC producers.

He said Comitéxtil believes an industrial policy for the sector must rest primarily on commercial decisions taken by individual firms. The Commission's primary role was to provide a trading environment in which individual firms could take long-term management decisions with confidence that there would be continued order and balanced opportunity in world trade.

Mr. Santini said, "The industry believes that it is pointless to speak of free trade in textiles because the freedom that exists is a one-way traffic. The Community should do everything in its power to obtain worldwide reciprocity."

KLM joins Airbus orders list

By Michael Donno, Aerospace Correspondent

KLM Royal Dutch Airlines is to buy 16 A-310 Airbus, worth about Fl 1bn (about £238m), with an option on 10 more.

The order, announced from the Hague yesterday, follows Monday's decision by Lufthansa to buy 25 of the A-310 version of the European Airbus, with an option on another 25.

The KLM order brings to 270 the number of Airbuses of all versions on order, of which 173 are firm contracts and 97 are options. The A-310 is the smallest, 200-seat version of the 250-seat A-300 Airbus.

KLM's aircraft will be delivered from 1983, when it will receive four A-310s, with the remaining six being delivered in 1984 and 1985.

The aircraft will replace the airline's McDonnell Douglas DC-8s and DC-9s on short- to medium-range routes.

Airbus Industrie, the European consortium in which the UK now has a 30 per cent Government stake, is negotiating further orders for both the A-300 and A-310 Airbuses in several parts of the world.

Danish shipyard seeks aid to avoid closure

BY HILARY BARNES IN COPENHAGEN

BURMEISTER AND WAIN is appealing to the Danish Government to use development aid funds to help finance ship orders from Burma and the Sudan. Mr. Poul Madsen, company chairman, said that the shipyard, which until 1974 was Copenhagen's largest single work place, will have to close if the orders cannot be obtained.

The yard today has a labour force of 1,600.

Mr. Arne Christiansen, Minister of Commerce, said that the government will consider the problems facing Danish shipyards at a meeting on April 25 and will announce its policy at that time.

So far the Danish government has provided virtually no direct aid to the shipyards,

although at the end of last year it improved the credit facilities available to Danish owners placing orders at Danish yards and it has on one occasion before used development aid to finance an order.

However, the Foreign Ministry is not enthusiastic about the use of development aid for this purpose, partly because in principle it prolongs the world shipbuilding crisis.

Two other shipyards, Eisnere and Aalborg, have also announced that it will be necessary to make major manpower reductions by the end of this year. Eisnere said it will have to dismiss 900 of the 1700 workers and Aalborg has plans to dismiss 1100 of its 2,000 workers if no new orders can be found.

Mirage deal may be delayed

CANBERRA—French hopes of selling Australia about 50 Mirage 2000 fighters worth \$1bn (£460m) could be hampered by the European Economic Community's delay in answering Canberra's demands for better access for Australian exports to European markets, Government officials said yesterday.

Australia sent a warning to the French Government earlier in the week after an Australian Air Force team arrived in Paris to inspect the aircraft.

The French fighter is one of four aircraft under consideration by Australia to replace about 100 outdated Mirages, which comprise Australia's only specialist fighter defence force.

The EEC is expected to reply this week.

Franco-Soviet trade brightens

BY DAVID SATTER IN MOSCOW

THE VALUE of Soviet-French trade fell 7 per cent in 1978, but there were prospects for better results this year in anticipation of the visit to Moscow in three weeks of Mr. Valery Giscard d'Estaing, the French President and the signing of at least one major Soviet-French contract following his visit.

Figures released by the French embassy showed that Soviet-French trade last year had a value of Ffr 13bn (£1.3bn) compared with Ffr 13bn in 1977. The fall was largely accounted for by an 11 per cent decline in the value of French exports, which had a value of Ffr 6.5bn in 1978 compared with Ffr 7.3bn the previous year.

The value of French imports from the Soviet Union also declined, although by only 3 per cent, in 1978, to a value of Ffr 5.6bn from Ffr 5.6bn in 1977.

Totals for trade between the Soviet Union and France, which set themselves the goal of doubling turnover in 1975-79 compared with the previous five-year period, may rise sharply, however, in 1979.

French commercial officials said deliveries will begin this year on the Ffr 2bn Technip contract for atomatics factories in Ufa and Omsk, which was signed in late 1978, and the bulk of deliveries will be made on the Ffr 1.2bn contract for an aluminium plant at Nikolaevsk, which was signed at about the same time.

The first three months of this year have witnessed the signing of a number of major Soviet-French contracts including \$100m telephone equipment contract won by Thomson CSF and the Ffr 80m contract won by Sodeget for the supply of a data processing system to the Soviet news agency Tass.

Negotiations are going on presently between the Soviets and a consortium headed by Creusot-Loire for the construction of a factory for the production of small diameter pipe using the extrusion method.

The contract could be worth about Ffr 500m for the French participants and might be agreed by the time Mr. Giscard d'Estaing arrives here April 26.

• ASEA, the Swedish heavy electrical engineering group, has received an order worth Sfr 200m (£22.8m) to supply electrical equipment for the Soviet steel mill forming part of the "electrometallurgical complex OEMK," writes John Walker in Stockholm. The mill is under construction near Kursk, about 50 miles north of Moscow.

Brazil's deficit increases

BY DIANA SMITH IN RIO DE JANEIRO

BRAZIL'S TRADE gap continues to widen. Figures released yesterday show that in February, imports totalled \$1.01bn and exports \$950m incurring a \$60m deficit.

The accumulated deficit for the first two months of 1979 has thus increased to \$255m. By the end of 1978 the trade gap had widened to \$988m.

Oil imports of \$700m for the first two months of 1979 represented 31.6 per cent of all imports compared with 35.5 per cent in January-February 1978. However, the political crisis in Iran, Brazil's second largest source of foreign credit, artificially reduced the influx by 150,000 barrels a day. Resump-

tion of Iranian supplies this month as well as the impact of the OPEC price increases are expected to turn Brazil's imported oil bill into an even heavier factor in the trade account this year than it was in 1978.

Compared with January-February 1978 Brazil's exports have risen by 20.9 per cent to \$1.96bn. Imports rose by 12.5 per cent to \$2.22bn. The Government has not given a breakdown of imports for early 1979 but it is known that essential foodstuffs, where domestic supplies were disrupted by drought and floods in January and February, are being imported in increasing quantities.

Jordan fertiliser plant contracts

BY RAMI G. KHOURI IN AMMAN

FIVE CONTRACTS will be awarded over the next six months to cover nearly all the remaining work on the \$300m (£145m) chemical fertiliser plant being built at the southern Jordanian port city of Aqaba.

The first of the contracts, scheduled to be awarded this month, covers transport to Aqaba from Europe and North America of the mechanical equipment for the fertiliser complex, which will process 1.3m tons of Jordanian raw phosphate rock annually into 740,000 metric tons of diammonium phosphate and 105,000

metric tons of phosphoric acid.

Other bids also being evaluated are for construction of a sea water intake and cooling system for the fertiliser complex; and for an international firm to be set up and, initially, run the worldwide marketing operation of the Jordan Fertiliser Industry Company (JFIC). The last two awards are for the installation of all mechanical and electrical works for the complex.

Dr. Mahmud Mari, general manager of JFIC, said the four contracts, excluding the marketing deal, would be worth over \$100m.

As for JFIC's marketing con-

tract, five bidders are being considered. They are: Fisons of Great Britain, Mitsubishi of Japan, Woodward and Dickerson of the U.S., International Ore and Fertiliser of the U.S. and Metallgesellschaft of West-Germany. Both Woodward and Dickerson and Mitsubishi already have reached preliminary agreement to act as international marketing agents for the Arab Potash Company, which is now building a plant on Jordan's Dead Sea.

Zublin of West Germany is undertaking the construction of the allied port facilities at Aqaba. Spie Batignolles of France is general contractor for the project.

Commerzbank reports significant growth in 1978.

Group assets, up 17%, reach almost DM 90 billion. International facilities expanded.

Commerzbank, one of West Germany's "Big Three" commercial banks, recorded strong growth in 1978. Consolidated total assets, which have doubled in the past four years, rose sharply to DM 88 billion, again an increase of some 17 per cent. Consolidated pre-tax profit also improved, advancing to DM 461 million.

Active business with domestic private customers, an increased need for finance in the public sector, and considerable growth in international business contributed substantially to these results.

In 1978, Commerzbank reaffirmed its strong position in international underwriting, acting as manager or co-manager for a large number of international bond issues and syndicated loans. The Bank participated in 98 foreign DM bond issues - in 23 cases as lead manager - totalling DM 12 billion and in 87 foreign currency bond offerings aggregating an equivalent of US \$ 4.4 billion. Syndicated Euroloans in which Commerzbank took part reached the equivalent of DM 25 billion, significantly above the 1977 level.

Commerzbank continued to expand its international facilities in 1978. In Europe, a full-service branch was opened in Antwerp. In the United States, an agency was set up in Atlanta. In South East Asia, steps were taken to establish a branch in Hong Kong and a merchant bank in Singapore, both of which started operations on 1st March of this year. Another representative office will be opened soon in Toronto.

With 70 branches, representative offices, and holdings abroad, Commerzbank is now present in 37 countries.

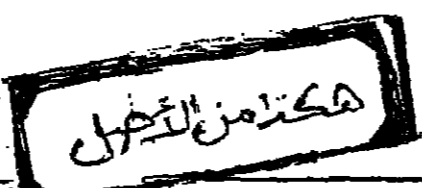
Highlights from the Consolidated Annual Accounts in DM billion

	1977	1978
Total Assets	75.281	88.009
Total Lending	46.860	57.627
Capital and Reserves	2.279	2.370

For further information please contact: Commerzbank AG, Public Relations Dept., P.O. Box 2534, D-6000 Frankfurt (Main), Tel.: (0611) 13621, Telex: 411246, West Germany.

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سكان العرب

Renault tops car imports to Britain

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

RENAULT of France overtook Datsun of Japan in the first quarter of 1979 for imports of "traditional" cars into Britain. The French group intends to maintain that position and win 7 per cent of the UK market by 1980.

Renault has been helped by a free supply of vehicles—whereas restricted shipments have meant short supplies of Datsun cars. Rapid introduction of new models to the British market has also helped.

Renault is to launch two versions of its best-selling Renault 5 range in Britain today. Top of the range is the Gordini, with a 1,400 cc engine. The retail price is £4,148.

The second model is a version of Le Car, with which Renault is spearheading its U.S. marketing effort. Only 1,000 of this "limited edition" car will be sold in Britain. The price is £3,348.

The launch of Le Car follows closely the UK launch of the R18, mid-range model which has taken 2 per cent of the new car market in March, its first full month on sale.

Another significant addition to the UK Renault range is expected later this month.

Last year 69,627 new Renault cars were registered in Britain and this year the total will be about 83,000, according to Renault UK.

Of the 1979 total about 23,000 should be Renault 5s, including 2,000 Gordinis.

The Renault 5 was launched in Britain in 1972. At that time only three manufacturers offered three-door hatchbacks and sales totalled 17,000. By the end of last year sales in the UK had increased to 205,000 and there are now 12 major manufacturers competing in the hatchback market.

Unsold Concorde will be given to British Airways

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS is to be given one of the two remaining unsold Concorde off the UK assembly line, bringing its fleet to six aircraft.

But a decision on the second aircraft is being deferred, to allow further talks on its possible use by British Caledonian Airways.

Mr. Eric Varley, Secretary for Industry, told the Commons yesterday that the aircraft for British Airways would be governed by the same new financial conditions which, as recently announced, are being applied to the airline's five other Concorde.

This means that the aircraft will go to British Airways "at a minimal cost," but that 80 per cent of any profits it earns will go to the Government, with the airline retaining the other 20 per cent.

The second unsold aircraft is being sought by British Caledonian, for use primarily on its proposed North Atlantic route between Gatwick and Atlanta, Georgia, via Gander, Newfoundland.

British Caledonian's original financial proposals for this were not acceptable to the Government, however, and more talks are to be held to find an acceptable formula.

Mr. Varley said that the Government believed that Concorde could generate operating surpluses that would rise substantially over its working life.

"We have therefore concluded that the right course is to place the two aircraft in a way which will maximise the total operating surplus of British-assembled Concorde, and which will assure for the Government the major part of the operating surpluses generated by the two aircraft."

Mr. Varley said the plans for disposing of the two aircraft would need the financial and logistical support of the French Government and Aérospatiale, the French builder of Concorde.

At the same time, the French will need UK co-operation eventually in disposing of the three unsold Concorde off the French assembly line.

"These and other Concorde issues are scheduled for discussion between British and French Ministers at an early date," he added.



£175,000 for picture by Millet

AFTER THE extremely successful evening auction of Impressionist pictures at Sotheby's which bought in £5,394,500 and auction record prices for Corot, Van Dongen and Magritte, there was another good Impressionist sales yesterday at Christie's, totalling £1,332,000.

The top price at Christie's was the £175,000, plus the 10.8 per cent buyer's premium, paid by the London dealer Tan Bunzl for *Raysannes au repos* by Millet, painted around 1850.

JPL Fine Arts acquired *La Toilette* by Degas for £70,000—and Agnew broke the auction record for a Henri Fantin-Latour by paying £55,000 for a still life of flowers and fruit.

In the afternoon session three works sold for £22,000 each—*Femme se peignant* by Degas, *Italienischer*, a watercolour by Paul Klee, and *Composition Lyrique* by Kandinsky. As usual these days, the more pictorial late 19th-century works found buyers more easily than the abstract compositions of the 20th century.

The art and ethnography auction at Christie's brought in £74,170.

SALEROOM

BY ANTONY THORNCROFT

Postal charges to increase soon

BY JOHN LLOYD

THE POST OFFICE said yesterday that post costs will have to rise within three to four months.

The new prices will be related to the cost of the postmen's wage settlement.

If the postmen accept the offer of 12 per cent, as is widely expected, then wage costs would increase by between £80m and £100m. The Post Office calculates that a 1p increase on letters would yield around £80m, and that is the most likely increase.

Postal price rises must be approved by the Price Commission and by the Post Office Users National Council, and neither have been approached by the Post Office. The period between application and the increase is usually three months.

The wages settlement will have no effect on the postal business profits for the past financial year which ended on March 31. The Post Office is expected to show a profit of about £30m, or on the target of 2 per cent return on a turnover of about £1.5bn imposed by the Government.

This fairground caravan, arriving yesterday at the courtyard of the Royal Academy, is to form part of an exhibition to celebrate the 200th running of the Epsom Derby. The caravan, built by Dumtons of Reading in 1905, is typical of the sort which used to converge on the racecourse.

The Epsom classic, founded by the 12th Earl of Derby in 1780, has lent its name to nearly 200 races in many parts of the world. The exhibition, sponsored by Coutts and Co., the Financial Times, Meot and Chandon (London) and Sotheby Parke Bernet and Co., opens tomorrow and lasts until July 1.

Air Wales suspends Brussels service

BY ROBIN REEVES, WELSH CORRESPONDENT

AIR WALES, the Cardiff subsidiary of D. K. Aviation, is to suspend its Brussels-Cardiff service indefinitely from the end of the week because of mounting financial losses on the route.

The move, which will involve staff redundancies, follows unfruitful talks with the Welsh Development Agency, the Development Corporation for Wales and EEC officials. These talks failed to secure additional financial support for the company.

The move is a significant blow to the company's development plans. The twice daily Brussels-Cardiff service, inaugurated less than a year ago, formed a key element in Air Wales's bid to build a network linking with international

airline services operating out of Brussels.

Mr. David King, Air Wales chairman, emphasised yesterday that the company was not in financial difficulties, but it could no longer justify "huge losses" on the Brussels route without extra support.

Mr. King announced, however, that there would be more weekly flights on the company's other main route — between North and South Wales — and said the airline was continuing to explore the possibility of additional services within Wales. The Welsh Development Agency said that it was continuing discussions of the funding of the company's future services within Wales.

Petrofina introduces arbitration scheme

BY OUR CONSUMER AFFAIRS CORRESPONDENT

OPERATORS of petrol stations owned by Petrofina can appeal to an independent arbitrator if the company terminates or refuses to renew their licences, the Office of Fair Trading said yesterday.

Petrofina has told Mr. Gordon Borrie, director general of Fair Trading, that it will operate an arbitration scheme for its 80 outlets as part of a code of practice setting out the opera-

ting standards for the company and its licensees. Similar schemes were introduced by BP, Shell, and Total last year.

Arbitration schemes were agreed by the major oil companies three years ago after talks with the OFT. The oil companies agreed that—except for short-term contracts—an oil company should not grant licences unless an arbitration scheme was operated.

Great Universal Stores raises advertising budget

BY MICHAEL THOMPSON-NOEL

GREAT UNIVERSAL STORES, one of Britain's biggest advertisers, is planning a significantly higher advertising budget this year.

The expenditure, concentrated mainly in the national Press, will total £9m, compared with just under £7m last year.

Mr. Harold Bowman, the assistant managing director, said last night that the higher budget reflected a more aggressive marketing strategy as well as higher advertising rate costs.

It will be shared by the four major divisions: Mail order, £5m (Kays, GUS, John England, John Noble, Trafford, Family Album and Marshall Ward); household stores, £2.25m (Cavendish-Woodhouse, Times, Aston and Art Wallpapers); multiple stores, £1.5m (Burberrys, Scotch House, Hector Powe, Willerby's, Houndsditch Warehouse and Thomis); travel, £250,000 (Global Tours).

Stock Exchange Council go-ahead for Talisman

FINANCIAL TIMES REPORTER

THE STOCK EXCHANGE Council yesterday gave the go-ahead for Talisman—the exchange's computerised settlement system—to go live from next Monday.

The system will start with 214 securities of 49 companies. These have been selected from securities handled by nine of the biggest registrars in terms of transfer volume, and represent about 10 per cent of the securities likely to take part in Talisman.

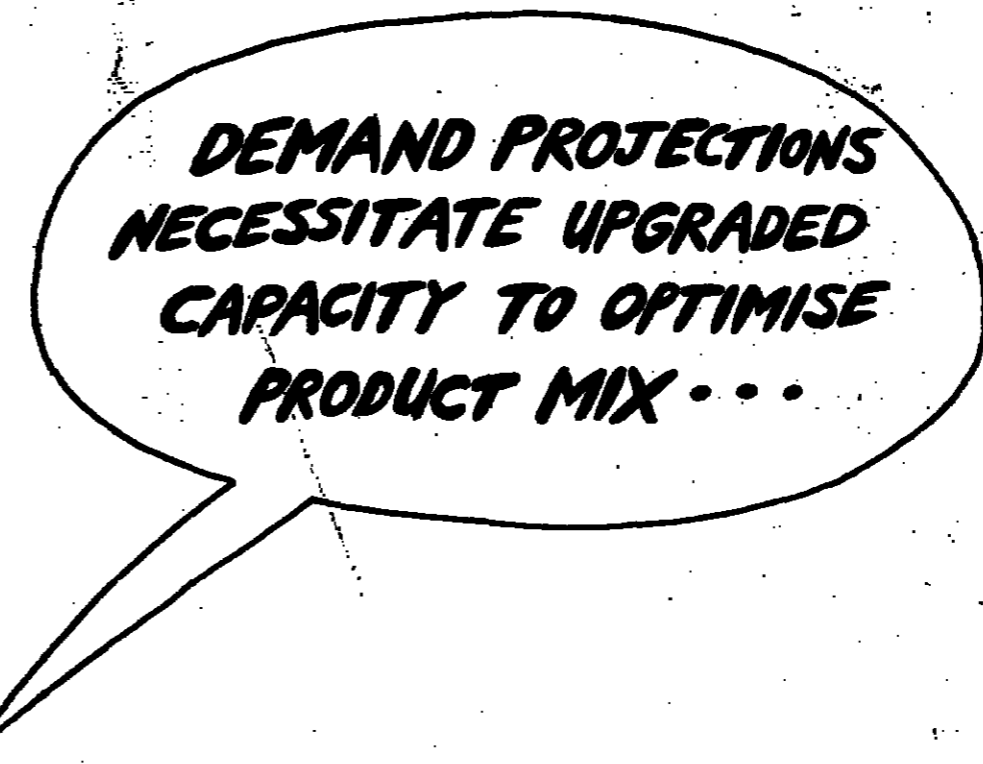
The registrars involved in the launch of the system are Barclays Bank, Granby Registration Services, Hill Samuel Registrars, ICI, Lloyds Bank, Midland Bank, National Westminster Bank, Ravensbourne Registration Services and Royal Bank of Scotland.

The managers of Talisman intend to add further registrars to the system in various tranches. If all goes well, 90 per cent of market traffic should be settled through Talisman by the year end.

Transactions in the following companies' securities are expected to be settled through Talisman from the first day: Advance Laundries, Associated Engineering, Astra Industrial Group, Bamfords, Barclays Bank

International, Barclays Bank, Bass, Beecham Group, BICC, Blue Circle Industries, Boosey and Hawkes, Bridon, Brocks Group, Burton Group, Carrington Investments, Carrington Vivaldi, Dalgety, Decca, Dowty Group, Drayton Commercial Investment Company, Drayton Consolidated Trust, Drayton Premier Investment Trust, Dunlop Holdings, Gibbons Dudley, Guardian Royal Exchange, Assurance, Higgs and Hill, Imperial Chemical Industries, John James Group of Companies, Kalamazoo, Lex Services Group, Lindstrates, F. H. Lloyd Holdings, London Brick, Marley, MEPC, Metal Box, National and Commercial Banking Group, Phoenix Timber, Piccadilly Theatre, William Press, Redman Heenan International, Sheepbridge Engineering, "Shell" Transport and Trading, Tesco Stores, Thorn Electrical Industries, UDS Group, United Biscuits, Vickers, Vinters.

In the case of ICI, only the 8 per cent Unsecured Loan stock will take part in Talisman from the outset. All other ICI securities will be dealt with under the existing system. The other companies listed above will have all their securities on Talisman from day one.



"Eh?"

It's no wonder big business tends to feel misunderstood. It alienates people by its size alone; it puzzles people with obscure jargon; and it disturbs them by apparently illogical behaviour. Misunderstood? More often incomprehensible.

Business may sometimes feel that the public doesn't want to understand. But if we won't speak out clearly, perhaps we only have ourselves to blame: tight-tipped corporate paranoia breeds suspicion. A great many people do want to understand what business is up to — if only it will stand up and explain itself.

So over the next few weeks we'd like to do just that — explain ourselves.

By way of example we'll take the £150 million investment project which we're currently undertaking in Essex, and consider some of the ideas and issues behind it.

Like why we're doing it, for a start. And how we raised the money to pay for it, at a time when the UK oil industry was in the doldrums.

We'll explain why we needed — and got — government backing. But we'll also argue that some kinds of government intervention aren't so helpful. Is that biting the hand that feeds us?

We'll be talking about the cost of environmental protection and energy

conservation; is industry spending as much as it should?

And what about the wider significance of big investment projects? We'll explore the way they affect small businesses, and consider who really benefits.

Then, as a parting shot, we'll be suggesting that Britain should switch to other fuels instead of oil. In some cases.

Obviously we won't speak against our own interests, but we'll try to avoid corporate puffery. The Essex project is the biggest refinery investment we've ever made in Britain; if it's as important as we think it is, it's worth some explanation. In plain language.

Mobil

UK NEWS

ICI plans 25% cut in dyes sector

BY SUE CAMERON, CHEMICALS CORRESPONDENT

Imperial Chemical Industries yesterday split out plans for reducing its hard-pressed organics division—a 25 per cent cut in fixed costs over the next two years involving the loss of 1,650 jobs by 1981, with a further 1,500 jobs by 1985.

The organics division said that its dyestuffs business had been particularly hard hit during the past four years. ICI is the biggest dyestuffs producer in the UK, with dye accounting for 33 per cent of the division's business.

ICI had spent £18m on a new plant—due to come on stream later this year—designed to raise the division's chemically reactive dyestuffs capacity by 40 per cent. But there was now a serious overcapacity in the field.

More over, dyestuffs production tends to be comparatively labour intensive—partly because plants need to be replaced only on a long, 30 to 40-year cycle. New, automated plants could be introduced only if profitability was maintained.

Small firms advised to offset VAT refunds

By Paul Taylor

THE ALLIANCE of Small Firms was yesterday urging companies owed Value Added Tax refunds—delayed by the Civil Service computer strike—to offset the refunds against PAYE tax payments.

Drop in retail sales more than expected

BY DAVID FREUD

RETAIL SALES are running at a significantly lower level than previously estimated, although the figures are still seriously distorted by the winter's industrial disputes and bad weather.

Oil companies act on Sullom Voe pollution

BY SUE CAMERON

THE MAJOR oil companies have agreed to take tougher measures against tankers that pollute the area round Sullom Voe by discharging ballast water into the sea.

£292,000 salary for insurance broker

Financial Times Reporter

A DIRECTOR of the Lloyd's of London insurance brokers Alexander Howden, working in the U.S., was paid £292,736 last year.

Scotswood faces 230 redundancies

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

ABOUT 230 workers at the Vickers Scotswood plant, Newcastle-upon-Tyne, will be made redundant on Friday after a meeting of management and union representatives chaired by Mr. Leslie Huxford, junior Industry Minister.

Commons reply

Mr. Robert Sheldon, Financial Secretary to the Treasury.

In the reply to a Commons question, said that Inland Revenue collectors "would not take any precipitate action" against companies which offset VAT refunds against tax payments where there was a genuine temporary difficulty in paying.

HIRE PURCHASE CREDIT AND RETAIL SALES

(Seasonally adjusted)

Table with columns: New credit extended by (Finance Houses, Retailers), Total debt outstanding (unadjusted), Retail volume (revised), Durable goods shops. Rows include 1974 1st, 2nd, 3rd, 4th; 1977 1st, 2nd, 3rd, 4th; 1978 1st, 2nd, 3rd, 4th; September, October, November, December; 1979 January, February.

Government backing of £232m for RB-211

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A FURTHER £232m support for development of the Rolls-Royce RB-211 engine in its various versions was announced by the Government yesterday.

Marathon yard talks deadlocked

By LYON McLean

GOVERNMENT TALKS aimed at saving Marathon Shipbuilders, the Clyde oil rig yard, remained deadlocked yesterday.

Tesco recovers fastest from January frost

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE MAJOR multiple supermarket groups have recovered their share of the packaged grocery market lost in January, according to a new trade survey carried out by the AGB research company.

Car distribution group given £175,000 loan

Financial Times Reporter

INDUSTRIAL and Commercial Finance Corporation, the big bank-owned lending institution for small companies, is to lend £175,000 to Finance Facilities (London).

TV deliveries down again as import share rises

BY JAMES McDONALD

COLOUR TELEVISION deliveries to the home market in January, at 57,000 units, were 39.2 per cent lower than in January 1978, and 30.9 per cent fewer than in December, says the British Radio & Equipment Manufacturers' Association.

Skytrain advanced booking sought by Laker

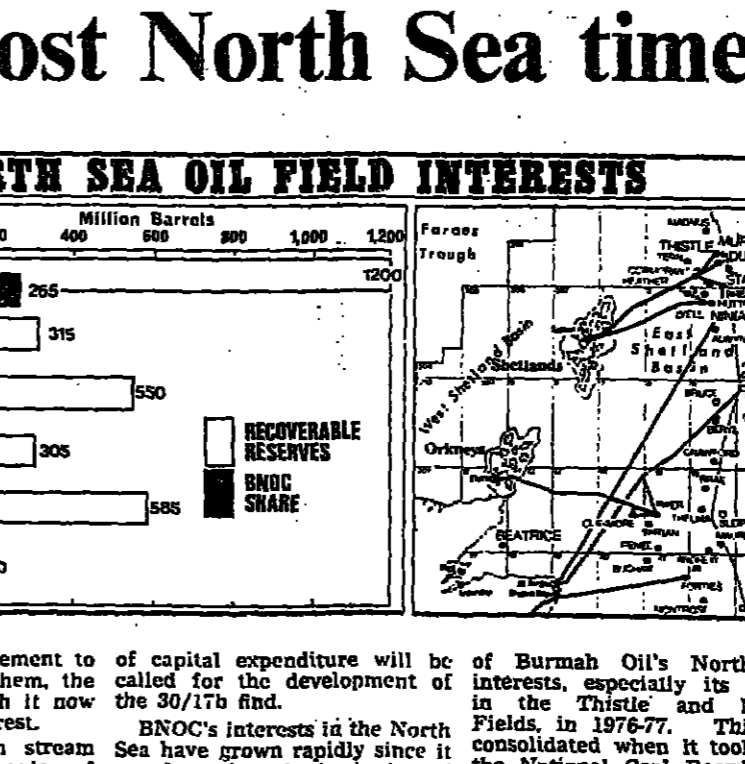
SIR FREDDIE LAKER, chairman of Laker Airways, has asked the Civil Aviation Authority for permission to introduce an advanced booking service for his cheap-fare Atlantic Skytrain between London (Gatwick) and New York and Los Angeles.

BNOC catches up for lost North Sea time

BY KEVIN DONE, ENERGY CORRESPONDENT

IN LITTLE more than three years the British National Oil Corporation has established an all-pervading influence in the UK sector of the North Sea.

McGee from Oklahoma. By the end of year it is probable that only Kerr McGee will remain from the original partnership, along with Hunt Oil having a reduced interest.



share would be some 200,000 barrels a day by the mid-1980s, which will be more than 7 per cent of total UK offshore crude oil production.

Lloyd's talks on rescue of stricken syndicate

BY JOHN MOORE

LEADING LLOYD'S of London figures meet today to discuss urgent proposals which may lead to a rare market rescue of the stricken underwriting syndicate formerly managed by Mr. Frederick Sasse.

Consolidation

The move to sell the Canadian and UK interests is also aimed at reducing Mesa's total indebtedness, incurred in part as a result of its decision last month to buy half of Ashland's Oil's U.S. mid-continent oil and gas interests.

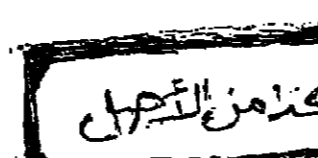
Obvious

The Beatrice partnership has been unsettled for a long time, almost since the field was, surprisingly, discovered in the Moray Firth, for which most oil industry geologists had shown little enthusiasm.

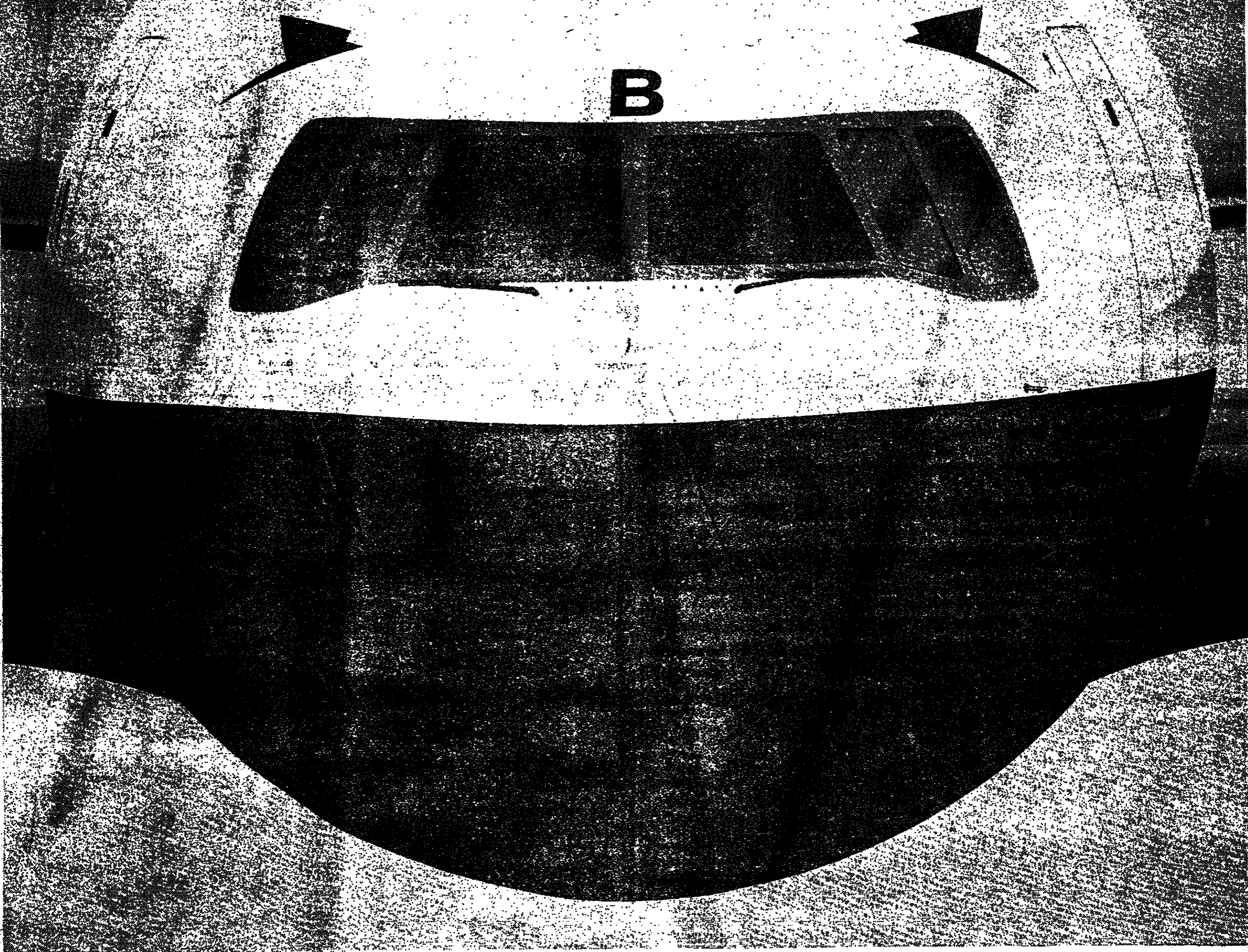
Privileges

BNOC's precise future is under some doubt if the Conservative Party wins the General Election next month.

BNOC now has equity interests in 115 blocks on the UK Continental Shelf, a total which will probably go up to 151 when the sixth round licence awards are confirmed.



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We'll take more care of you.

UK NEWS — PARLIAMENT and POLITICS

Cost index pushes up personal allowances

BUDGET REPORT BY JOHN HUNT AND IVOR OWEN

THERE IS a good chance that the increase in earnings as a result of this wage round will be about 13 per cent, Mr. Denis Healey, Chancellor of the Exchequer, told the Commons yesterday when he presented his caretaker budget.

bound to be higher than forecast last autumn. Replied for the Tories, Sir Geoffrey Howe, Shadow Chancellor, promised that cuts in personal taxation would be the hallmark of the Conservative Government if his party were returned to power at the General Election.

The Chancellor, during most of his speech, resisted the temptation to indulge in electioneering. However, Mr. Healey said that had he been able to introduce a normal Budget, he would have proposed an increase in income tax thresholds higher than the envisaged in the Finance Act.

The second obstacle, Mr. Healey said, was wage inflation. As a result of current pay increases, the rate of inflation this year would be higher than forecast last autumn. However, the earnings out-turn for 1979-80 would be nothing like as high as the 20 to 25 per cent that some had predicted.

firm and responsible financial policies and by a moderate growth in earnings. We had proved our ability to maintain the stability of sterling and our reserves were now much higher. At home, we had succeeded in keeping control over the underlying growth of money supply.

of England had announced yesterday a holding operation for rolling forward the supplementary special deposits scheme for three months on a basis consistent with the monetary target.

take effect after August 1 unless the incoming Government decided otherwise. If the Government wished to increase the allowances further, it could still do so, and they would be backdated to April 6.

Shadow Chancellor Sir Geoffrey Howe (left), and Mr. Denis Healey, Chancellor



Mr. Healey drew laughter from the Conservative benches when he asserted that 1978 had been a good year for the economy. He said that only that afternoon he had been able to announce that Britain was to repay a further \$1bn to the International Monetary Fund, well ahead of schedule.

"There is now a good chance of our achieving an out-turn of about 13 per cent, a little less than last year. But any increase above the Government's guidelines is bound to raise prices and damage our competitiveness."

The dangers might be limited by adherence to the Government's fiscal and monetary policies, but even then output and employment would be lower than if the pay guidelines had been observed.

He added: "There are signs that some of our partners are beginning to recognise the justice of our case. When we are returned we shall continue to press this issue whenever the opportunity arises."

Mr. Healey took a fairly gloomy view of the world economy and said that this year, growth in industrial countries was likely to be only about 3 per cent while unemployment would remain high.

Howe pledges 'substantial' tax cuts

A "SUBSTANTIAL reduction" in personal taxation to restore incentives and open the way for a fundamental change of course was promised by Sir Geoffrey Howe, the Conservative shadow Chancellor, in the Commons last night.

He insisted that the "dismal inheritance" left by Mr. Denis Healey would not prevent cuts in personal taxation being the "hallmark" of the Conservative Government to be formed by Mrs. Margaret Thatcher after next month's general election.

hold for higher rate taxation required to slug the requirement at £3,000 to £3,700. The effect of the Finance Bill is to increase the burden of direct taxation for almost all. Sir Geoffrey held to this view even though Mr. Healey accused him of "gravely misleading" the House.

to any action of the Chancellor. He estimated that the increase in personal allowances arising from the Rooker-Wise Amendment would result in the Finance Bill increasing the public sector borrowing requirement by £1bn.

workers employed by central Government were in line with those made in local government, there was a warning of what lay ahead in the fact that rates were showing an average increase of 19 per cent instead of something under 10 per cent as had been predicted by Ministers.

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State groups to borrow £2.1bn

ON prices, Mr. Barnett said that cash limits would not be increased to accommodate any higher rises beyond the specified assumption of an 8 1/2 per cent increase in the retail price index in the 12 months to the fourth quarter of 1979.

That is borne out in the White Paper, where the cash-limited increase for current expenditure on goods and services between the 1978-79 year and 1979-80 is held at 8.2 per cent.

police, the Armed Forces, others covered by the Review Bodies and university teachers. However, the White Paper re-emphasised Mr. Barnett's statement that if pay awards differed from the initial assumption, "each case will be reviewed as settlements are reached."

the previous year, while the comparable figure for public sector housing is 12.6 per cent and for roads 15.3 per cent. For nationalised industries, the estimates of the total external financing requirement is used as a form of cash limit, except for the British National Oil Corporation, which is not limited.

Chancellor sings song of praise to himself

By Philip Rawstone MR. DENIS HEALEY cut a forlorn figure yesterday amid the exuberant election charades in the Commons. It was his 15th Budget day — but he had no budget to present.

Thatcher hedges on TV confrontation

MRS. THATCHER refused to be rushed yesterday into picking up the now-traditional pre-election gauntlet thrown down by the Prime Minister when he accepted London Weekend Television's invitation to meet the Tory leader.

Transport House jumped the gun by issuing a statement — later withdrawn — denying Mrs. Thatcher's refusal to accept the invitation and saying what a pity it was that the electorate had been denied a unique opportunity of hearing the two leaders debate their policies.

prevent Mr. Callaghan from using it as an occasion to display his mastery of world statesmanship. After all, it was pointed out, Mrs. Thatcher had shown herself a good television performer and was hardly short of people to advise her.



dence in Mrs. Thatcher's ability to win votes, but rather that it wants the campaign fought on policies rather than personalities. And turning to the economic background, she trilled enthusiastically about the days he had left behind him.

UK nuclear plant 'safer'

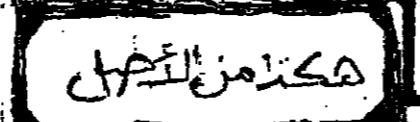
NUCLEAR REACTOR accident-like that in the U.S. could not happen in Britain, the Prime Minister told MPs yesterday. The UK uses different types of reactors, he said. "We have been very busy in concentrating on a safer type of reactor."

Tories plan to end dole abuse

THE Conservatives hope in find ways of clamping down on what they regard as abuses of the dole system. Among ideas they are considering if they are elected is the possibility of tightening the requirement that people receiving unemployment benefit should at least consider accepting suitable jobs.

The signs are that they will argue that the cuts they seek in public expenditure will not necessarily lead to an increase in unemployment, and might even lead to a rise in jobs. They are likely to make much of the fact that UK employment actually rose after the present Government had been forced by the IMF to cut public spending.

Instead, the idea seems to be to phase out some of them when they come up for renewal.



PARLIAMENT AND POLITICS

TAX CHANGE DELAYED

Indexed allowances expected

BY DAVID FREUD

TAX CHANGES yesterday confirm the Budget... The amendment section 22 of the Act says that allowances should be increased automatically in the spring Budget in line with the rise in the retail price index in the previous year.

Table with 7 columns: Income, Income tax, % of total income taken in tax, Charge for 1978/79, Charge with increased allowances, % of total income taken in tax, Reduction in tax, % increase in income after tax. Rows include Single Persons—Annual Figures and Married Couple with 2 Children Not Over 11.

Re-coding The Inland Revenue does not have to implement these increases before August 1, which will allow the incoming Government to frame a Budget and set the personal allowances at whatever level it chooses. The new administration will also be able to prove to them to take effect at a different date.

Table with 10 columns: Weekly earnings, Income tax, Net income, Child benefit, Net income after increase in allowances and change in NIC, CB & CTA's, Increase compared with pre-Nov. 1978, Increase compared with post-Nov. 1978. Rows include Married Couple with 2 Children Not Over 11.

* National Insurance Contributions, Child Benefit and Child Tax Allowances. Net income is earnings, less tax and national insurance contributions, plus child benefit. It does not include any means-tested benefit.

Deductions The total of the increases is about £350m in 1979-80 and £1,050m in a full year. The exact figure will depend on the level of incomes in the year. The final stage of the withdrawal of child tax allowances is intended. After the Government announcement of its intentions last summer the Inland Revenue fixed PAYE codes for 1979-80 to omit the child tax allowance, and so decisions from April 6 will reflect this change.

Table with 7 columns: Income, Income tax, % of total income taken in tax, Charge for 1978/79, Charge with increased allowances, % of total income taken in tax, Reduction in tax, % increase in income after tax. Rows include Elderly married couples.

APPOINTMENTS Change of chairman at Cape Industries Mr. Lionel G. Stopford Sackville, deputy chairman of CAPE INDUSTRIES, is to become chairman at the annual meeting on May 22. He will succeed Mr. Ronald H. Dent, who is retiring from that position but will remain on the board as a non-executive director.

Mr. Duncun Farrell also join the Board as executive directors. Following the sale of the Remington Division by Sperry Rand a company called REMINGTON CONSUMER PRODUCTS has been formed by Mr. Victor K. Klam, Managing Director of the new concern is Mr. Charles J. Carter, who was director of marketing in Europe in the previous organisation. The remainder of the previous management team remains unchanged.

LABOUR

Dunlop may face another strike day

BY NICK GARNETT

UNION leaders are likely to call another one-day strike of Dunlop UK workers, probably next Wednesday, in protest at plans to close factories.

Mr. John Miller, Transport and General Workers' Union national secretary and secretary of the ICI signatory unions committee, said yesterday that 15 per cent would now be taken as the baseline for negotiations.

ICI offers 15% in bid to restructure wages

BY NICK GARNETT, LABOUR STAFF

IMPERIAL CHEMICAL Industries has offered its 50,000 manual workers a 15.1 per cent pay package, partly in an attempt to reshape its wage structure.

Mr. John Miller, Transport and General Workers' Union national secretary and secretary of the ICI signatory unions committee, said yesterday that 15 per cent would now be taken as the baseline for negotiations.

New pay deal likely for 87,000 craftsmen

BY PAULINE CLARK, LABOUR STAFF

CRAFTSMEN employed by local authorities are expecting a 9 per cent pay offer and a comparability study which is likely to avert recent threats of industrial action.

Indefinite strike threat at Perkins

PRODUCTION WORKERS at Perkins diesel engine plant at Peterborough are to stage an indefinite strike from Friday unless the company promises pay parity with Massey Ferguson workers.

Permits ended for unskilled hotel workers

By Our Labour Staff

PERMITS for unskilled overseas workers wanting jobs in the hotel and catering industry are being discontinued from the beginning of this month.

Legal & General pact with Jenkins' union

BY OUR LABOUR STAFF

THE Legal and General Assurance Society has signed a recognition and procedure agreement with the Association of Scientific, Technical and Managerial Staffs.

EEC home loans for UK workers

CERTAIN BRITISH coal and steel workers will be eligible for home loans from the European Commission in Brussels.

Move to settle dispute at aircraft plant

By Our Belfast Correspondent

ATTEMPTS BEGAN yesterday to settle a dispute which has stopped production for more than a week at Short Brothers, the State-owned aircraft company in Belfast.

NOTICE OF REDEMPTION

THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V.

9 1/4% Guaranteed Notes Due 1982 NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of April 15, 1975, providing for the above Notes, \$398,000 principal amount of said Notes bearing the numbers set forth below have been selected for redemption on April 15, 1979, at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date, each in the denomination of U.S. \$1,000 as follows:

Senior management and representatives of 3,000 striking shipyard workers met at the Northern Ireland Labour Relations Agency for preliminary talks. The stoppage began when 12 men were laid off because of restrictions imposed on overtime in pursuit of a pay claim.

Teachers urge exam delay

A TEACHING union yesterday appealed to the Scottish Office to postpone examinations for thousands of schoolchildren because of disruption caused by a teachers' pay dispute.

Table with 15 columns of numbers for redemption notice.

FINANCIAL TIMES REPORT

Wednesday April 4 1979

CORBY

Town lives in fear

By Anthony Moreton, Regional Affairs Editor

FROM THE town centre in Corby it is possible to look across the rooftops and see the dominating architecture of the British Steel Corporation's works, its tall towers disgorging white smoke over the Northamptonshire countryside. The works, and the Corporation, dominate Corby in more senses than one. The works employ some 11,000 people out of a total workforce in the town of 23,395; the old cliché about the town catching pneumonia if the works ceases is probably more true here than anywhere.

British Steel also dominates almost all conversation because there are considerable fears that it will in the not-too-distant future close the steelmaking side of its activities at the works. Such a move would be catastrophic for the town. It would throw out of work some 6,000 people and the rate of unemployment, which is now around 7 per cent, could leap up to as much as 17 per cent. The town has already come to terms with the fact that steel is not so important in its economy as it once was—15 years ago it accounted for 70 per cent of Corby's workforce—but the rumours and fears continue, especially as BSC has just announced the closure of the Bilston works in Staffordshire.

To complicate matters, the Development Corporation, which has been responsible for the growth of the town since 1950, will also be wound up at

the end of next March, a move which could not have come at a less opportune time. To understand the relationship between two corporations, and the dominant role of steel in the economy, one has to go back to the 1930s.

Steel came to Corby because this part of Northamptonshire is rich in ironstone. To exploit the natural resources, Stewarts and Lloyds decided in 1934 to build an integrated steelworks around Corby, then a village of 1,598 people. The works were to produce the basic steel and then roll the ingots into pipes and tubes.

Stewarts and Lloyds was a Scottish firm, producing on the Clyde, and it managed to induce some of its workforce and some of those unemployed at the time to make the move south. It offered housing—it built 2,300 houses right next to the works, thereby recreating the slum conditions of the future from which the Glaswegians had just escaped. But the great inducement in that troubled decade was that it offered work.

Legacy

The legacy of the move is seen, socially, in many directions even today. Glasgow Rangers has a social club in the town with its own premises; Celtic has a supporters club. There is a scheduled daily bus service to Glasgow and on Saturdays in the season the coaches roar north full of supporters for one or other of the soccer teams. Haggis are on sale in Woolworths and it is still impossible to go far without hearing broad Scottish accents.

But the growth of the works outstripped the ability of an urban district council to provide the necessary services or find work for the women. So in 1950 Corby was designated a New Town and its Development Corporation was given responsibility for housing, building civic amenities and attracting sufficient industry to provide a balanced economy.

It was envisaged that the town, then with a population of 15,700, would grow to 40,000. In 1960, however, the ground rules changed: Stewarts and Lloyds was given the go-ahead

for an extension to the plant which, it estimated, would necessitate another 2,500 workers. Consequently, the new town's population ceiling was revised upwards to 55,000, and its boundary expanded.

The company, however, had second thoughts and the expansion never took place. Corby was, in consequence, committed to an expansion for which there was no economic need. To try and take up the slack negotiations were entered into to link the town with the Greater London Council as part of the latter's overspill scheme.

The town's population is now around 52,000, just short of the target figure. But it is the uncertainty over the future of the steelworks that is causing the greatest concern. That uncertainty is not made any easier by the fact that the unions have refused to meet the Steel Corporation to discuss matters and have been turned down in an appeal to the Minister, Mr. Eric Varley, for an interview. Inevitably, into the vacuum has

stepped a "fighting" organisation, a Left-wing group called the Retention of Steelmaking at Corby.

Neither the Development Corporation nor the local authorities has given up hope that some form of assistance will be forthcoming. The European Economic Community has been petitioned, to be told that it can only help regions which are designated as assisted areas, which Corby is not. Corby approached the Government but the response has not been favourable. It is admitted that the town has problems, but since it is in an otherwise affluent part of the East Midlands it is not considered to be a prime area for help.

A submission has also been made for the Innos project to come to the town. Here again, though, the unstated view of the Government is that Innos should go to a development area.

The only avenue that might be fruitful—delaying the hand-over of power by the Develop-

ment Corporation to the New Towns Commission—is bedevilled by local politics. Such a step could only come at the behest of the district council and the county council, but it is unlikely that either of these would support such a move. They have already gained the Corporation's housing powers—and stock of houses—and now look forward to taking over its industrial role.

That role would be better left in the hands of the Corporation since it can act faster. Since that is almost certainly unacceptable to the Government, some form of industrial executive might be considered. Government thinking, however, appears to be that the day of the new town is approaching its end and that democracy demands the handover of powers to elected authorities.

It is anticipated that Corby will be the first new town to be switched over to the New Towns Commission since Crawley and Hemel Hempstead

in 1962 and Hatfield in 1966. Harlow and Stevenage will follow later next year and the others at determined dates. However, no date has been put for the transfer of powers at either Aycliffe or Peterlee because of their employment problems, an ironic decision in view of Corby's difficulties.

Substantial

What the town would like—and certainly needs—is another major employer of some consequence. After BSC with its 11,000 employees the next largest employer is Golden Wonder, the crisp firm, with some 600 people. It had a fairly substantial concern, British Sealed Beams, which employed nearly 1,000 at its peak, but this closed last year and no replacement has been found on the same scale.

Corby's problem is that it has no Government-backed financial inducements to offer since it is not in an assisted area and no simple communications with

the outside world. It is between the A1 and the M1 and not easily approached from either. It has cried out for years for a good road link but it only succeeded last month and it will be a couple of years before the road is built.

Corby has been quite successful in attracting firms. For a while, in the 1950s, the Government was unwilling to allow it to develop at a fast speed and only relented when it was essential to find work for its women workers—the town still suffers from having a higher proportion of its women unemployed than its men. At the end of last year 7.5 per cent of its women were out of work, compared with a national average of 4.3 per cent, at a time when the figure for unemployed men was 6.9 per cent.

The Corporation has built some 60 factories and a dozen smaller units providing work for 1,800 men and 2,500 women. There are a further five firms in the pipeline, one of which will be a furniture warehouse

and another a boatbuilder. Between them they will occupy 120,000 sq ft of space and provide work for at least 200. The others will be smaller. The Corporation is also still preening ahead with its advance factory building programme despite the fact that some of its units will not be completed until after its powers have been handed to the local authorities.

All this, though, is almost spitting in the wind. A hundred here, a hundred there will be little more than a pinprick if BSC dispenses with up to 6,000 jobs. Doubtless, the Government would then launch some form of emergency programme as it did in Almouth after the shiprepair yard was threatened. What Corby is pointing out, with justification, is that it would then be too late for effective action and now is the time to move. Tomorrow may be too late, later this year almost certainly will be. Government appears not to see it that way.

6,000 steel jobs at risk

TIME IS not on the British Steel Corporation's side over the issue of whether or not Corby iron and steelmaking should be phased out and the works supplied with steel from more efficient plants in the North East.

During the past year the Corby management has done everything possible, with shop-floor co-operation, to cut down the financial losses of the local ore mining, the blast-furnaces, and the steel furnaces by attention to detail and good housekeeping in the plant. But Corby is still expected to contribute at least £10m losses towards British Steel's expected losses of up to £350m in the year 1977-78.

Some internal Corporation estimates put the overall annual saving at more like £40m in an average year from now on if

the works can be fed with low-cost steel from the modern Teesside facilities.

Priority

Absolute priority is being given by the Corporation's management to restoring nationalised steelmaking in Britain to viability after four years of heavy losses. Little can be done to restore profits by increasing steel prices because BSC is operating in a competitive international market. The only real way forward is to concentrate steelmaking upon a few big works which have been modernised and expanded during the past few years until they rank among some of the best steel-producing plants in the world.

That policy means that the efficient works must be loaded with all the steel orders avail-

able and the older works such as Corby closed. Six major works in the British Steel organisation were closed last year with the loss of 17,000 jobs. Now a new round of closures is under way starting with Bilston in Staffordshire (the workforce has been given 12 months' notice of closure there).

The wish of the BSC management is that Corby should be the next major steelmaking unit to close. If that objective is achieved the Corporation must be expected to turn its attention to steelmaking at two other old plants—Shotton, North Wales, and Consett, Co. Durham.

The steel committee of the TUC understands well enough the need to shed more unwanted plants—and jobs—within British Steel if the Corporation is to be brought into

line with the best international manning levels of steelmaking. But they are also aware that the British Steel payroll has already been reduced by some 40,000 jobs over four years. The prospect of up to 6,000 steel jobs being lost at Corby by a single decision—with the probable loss of a further 2,000 jobs dependent upon the iron and steel plant locally—is a chilling one to the leaders of the steel unions. British Steel will not recognise, or negotiate with, the local action committee called ROSAC (Retention of Steelmaking at Corby), and the TUC steel committee is reluctant to enter negotiations about the future of Corby at national level.

The time that British Steel says it cannot afford to provide over the Corby issue may yet be insisted upon by the workforce. If they carry out their threat to

refuse to work with steel "imported" into the Corby tube works from Teesside then it would be almost impossible to close the iron and steel making side of Corby.

Unique

For the Corby plant is not just another steel works whose function can be duplicated elsewhere. Corby is in a unique position as the main centre for British Steel's tubes production. During the last few years continuing investment has maintained the tubes mills at Corby to modern standards and the Corporation intends to further improve them with a current £45m investment programme.

Whether the steel is made locally or brought from another works the tubes business will have to continue as an essential

part of British Steel's range of products.

Iron and steel alike at the existing Corby plant cannot compete in the modern world because it is based upon locally dug ore which has very low iron content—only about one-third iron. In contrast, imported ores which are mined at the coastal steelworks, have an iron content of some two-thirds. Taking into account the quantities of coke used and blast furnace time iron can be made much more cheaply using the big furnaces at the coastal works and the imported ores.

There is little hope of a compromise solution for a Corby iron plant. It would be prohibitively expensive for instance, to transport imported ores to Corby from the coast.

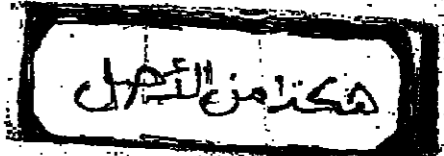
Roy Hudson

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Coping with high unemployment

ALTHOUGH CORBY'S BSC plant was not included in the 1975 Beswick review of projected steelworks closures, there can be little justification for surprise at the town's present plight. Steelworkers there have known for more than five years that 1980 would be the time for a major decision on the future of steelmaking there.

The 1978 White Paper on BSC's Ten-Year Development Strategy gave an assurance that steelmaking would continue in Corby for at least the rest of the present decade. It added, however, "The steelworks is the major employer in the town and a final decision on the future of steelmaking will be taken in the course of the next few years in consultation with those concerned."

The second reason why the seriousness of Corby's present situation should never have been underestimated is that it is a town which has always been highly sensitive to its own vulnerability. Major steelmaking closures in other parts of the country have caused serious disruptions to local employment but there has yet to be a closure that threatens to cause the death of an whole town.

Corby's present nightmare is that its already high unemploy-

ment rate of 7 per cent will inevitably soar if 6,000 jobs are axed by BSC. The cuts would increase the chances of the tube works eventually being closed too, which would raise total direct BSC redundancies in Corby to well over 11,000.

Training

Thousands more in the town would eventually lose their jobs with the subsequent contraction of service jobs and of ancillary industries—and that is not counting a recently projected 1,200 new school leavers who will be looking for jobs each year up to 1981 and 1,400 a year after that.

Clearly, if it is to survive, Corby has two urgent and fundamental needs. One is major training and re-training programmes and the other is an influx of new employment opportunities.

A detailed study of Corby's workforce resources has been made in a special report entitled "Employment and Industrial Development in Corby" by Coopers and Lybrand Associates and Northamptonshire County Council.

The report, published last January, insists that central

government assistance is badly needed. "In order to make a major impact on Corby's employment problem before the town suffers a permanent economic decline from which it might not recover, attraction of one or two large firms employing mainly unskilled and semi-skilled workers would be particularly valuable.

"In view of the acute competition for large mobile firms it might be necessary to make use of IDC (Industrial Development Certificate) constraints in order to encourage such enterprises to select Corby. There is none the less a strong political argument for taking such a step before the situation deteriorates too far."

In this appeal the report recognises not only the size of the problem but the nature of the Corby labour market.

While Corby's isolation in the midst of a large agricultural county and its over-dependence on one industry makes it a town with unique problems, so the character and qualities of the people living there are unusual

and need to be fully understood if the town is to be saved.

As the predominance of the steel industry suggests, the skills among the male workers tend to be specifically related to steelmaking. Some of their engineering skills may be transferable to other industries but even so the steelworkers' experience is with large-scale plant and heavy automatic machinery.

A steelworks is dirty and noisy and workers may be working in sweltering heat from the furnaces one day and in exposed wintry conditions elsewhere in the plant on others, but there is room to move about and variety in the job. It would take a steelworker a major readjustment to feel comfortable standing all day on the production line in a light industry factory.

On the plus side, however, the history of labour relations is good in the works and there is a natural acceptance of shift work.

Another problem for the town is the relatively high number of unskilled labourers among the present unemployed population. About 60 per cent of the men come into this category.

Clearly training efforts have to be aimed at two main objectives; at creating a greater range of skills and at generally improving the quality of the labour force available.

The job of training is shared at present between the formal education system and the Training Services Agency of the Manpower Services Commission. Although there may be a different approach towards teaching skills appropriate to school leavers and among the older unemployed and redundant steelworkers, one major problem applies to both groups. Unless it is known what new industries can be attracted to the town it is difficult to know what skills should be taught.

The new survey argues that one of the main priorities among school leavers is to ensure that they are well equipped to tackle jobs in the town.

Against a background of educational attainments among school leavers in Corby which are rather lower than the average for the county, the report urges improvement of school standards alongside a flexible policy in the technical college to meet labour market demands. In particular it suggests more integration of careers services into school programmes.

On the training and re-training of mature workers, the report says there is a continuing need for improving the skills of workers in order to attract new industry and suggests that the principal initiative for this should come from existing employers in the town—principally BSC itself—and the Training Services Agency.

With a high rate of closures of manufacturing concerns—mainly in textiles, clothing, footwear and engineering industries—to aggravate the situation, however, Corby has the urgent problem this year of drawing attention to its plight amid the cries of help from other areas in Britain facing serious social problems from unemployment and redundancies.

Pauline Clark

Battle over road plans

THE FLIGHT of the 55,000 inhabitants of Corby might be compared to that of a man treading water furiously to keep afloat, while a rescuer on the bank has promised to throw a lifeline—but not for a few hours.

In Corby's case the time-scale is longer, perhaps eight or nine years: the lifeline a new road link to the M1 in the west and the A1 in the east, ending the town's relative isolation in the rural north of Northamptonshire.

With an unemployment rate at 8 per cent already double that elsewhere in this otherwise prosperous Midlands county, Corby's efforts to keep its head above water had already received two big setbacks, in the form of one major plant closure (British Sealed Beams) and one major redundancy programme at British Steel Corporation—overwhelmingly the largest employer—even before BSC announced last month that 6,000 more jobs must go. Fears are now being voiced that Corby will go under for the third time before the lifeline can be thrown.

Nevertheless, Mr. John Horam, Parliamentary Under-Secretary of State for Transport, did announce in the Commons two weeks ago that the Government had finally selected the route for the east-west corridor.

Existing access to Corby, mainly via the narrow, snake-like A427 from east to west on which overtaking is difficult by car and almost impossible for the 700 commercial vehicles using the route daily, is the reason most quoted by companies for rejecting Corby as a potential base for their activities.

The Government's choice of the new route is also that of Corby itself and of Kettering, an older town of 50,000 seven miles to the south and which favours in that nearly 2,000 of its 25,000 labour force works in the troubled New Town.

But the Green Route is disapproved of by Northamptonshire County Council, which put forward its own "alternative strategy." This, it is argued, could be executed more quickly, would cost less and, using mainly existing roads, would be less damaging to the countryside. The county's strategy called a two-pronged approach: upgrading of the A45 from the M1 at Northampton to Wellingborough and construction of a short new dual-carriageway connecting up with an improved A604 to complete the route to the A1 at Huntingdon; at the same time, Corby's problem road, the A427, would be upgraded, with bypasses to the half a dozen villages straddling the route. Improvement of the A616 and A6003 roads from Corby southwards would allow it to connect up with the A45-604 east-west route.

Arguments over the relative merits of the two proposals have led to acrimony between the district councils involved and the County, as well as to the formation of rival lobby groups. The Local Authorities Green Route Co-ordinating Committee, which includes neighbouring Leicestershire County Council, to which it has backed the Green Route, while "Malrae," the M1-A1 Link Action Committee has vowed to fight the Green Route in its progress east from Catthorpe to Kettering through 15 miles of farmland and fox-hunting country in the wealthy western portion of the county. With a public inquiry into the route certain, Naseby, which the Green Route will pass closely to the north or south, seems set once more to be a battleground.

Corby and the Green Route proponents, while still pushing for early improvements to the existing A427 insist that the County's proposals would not have met Corby's urgent needs; rather, they would have given further help to the south of the county, which Corby and Kettering claim is already over-developed and in possession of an infrastructure in excess of its requirements.

Although the County already has an A45 improvement programme under way, Corby and its cohorts on the Green Route committee also dismissed the county's assertion that the alternative strategy could be completed more quickly than the Green Route—not least of the problem being that much of the A427 runs through Leicestershire, which has said it could not expect to upgrade its section of the route within for another six to ten years.

With that argument now accepted by the Department of Transport, the most important question remains just how quickly relief can be brought to Corby. With the inevitable public inquiry still standing in the Green Route's way, a start before 1982 appears unlikely and, without a major new central government initiative, completion does not seem on the cards before 1988.

The County, which may yet oppose the Green Route at that inquiry, insists, however, that Corby retains top priority for county assistance and is seeking an urgent meeting with the Transport Minister, Mr. William Rodgers, on ways in which intermediate help can still be provided in the form of upgrading existing roads. "It is important," says County Surveyor Mr. Michael Cottell, "that the selection of the Green Route does not mean that other roads leading into Corby are denied the funds they so urgently need."

Apart from improving the A427, which the county regards as still necessary, it is concerned that in particular the A616 running south from Corby should, and could, be upgraded by 1982. "Certainly the eight to ten years for the Green Route is not good enough," insists Mr. Cottell—"Corby will be a dead town by then."

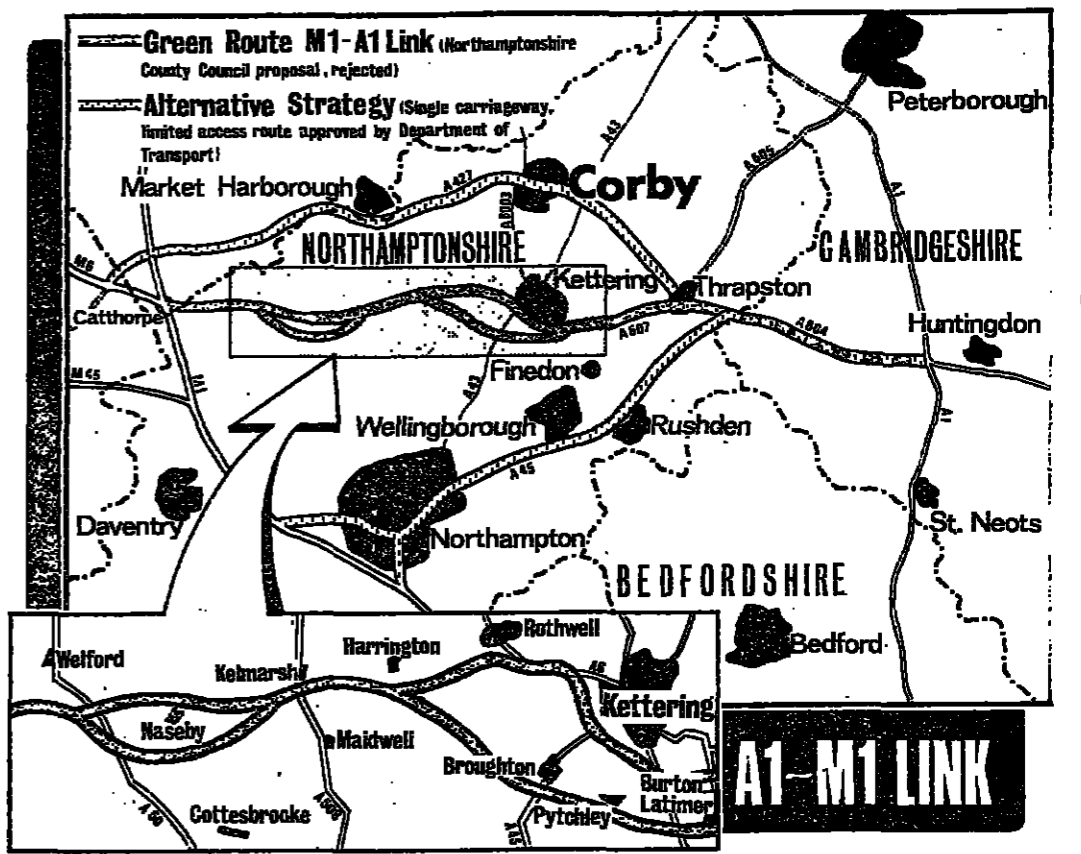
Earnings

Steelworkers are also accustomed to being unionised and to comparatively high pay—average earnings of manual steel workers in Corby are about £4,000 a year. These are both factors with which the town has to contend in attracting new industry.

Corby does have an existing rail line—but only into BSC's plant beyond the town's outskirts. It would be possible for new industry locating nearby to use the rail facility, but to put Corby back on to a main line passenger and freight link is regarded as uneconomic. And the varied light industry which Corby is primarily seeking to attract in any case tends to be much more heavily reliant on road transport.

The town thus, for the moment, continues in limbo, with an interim programme of road improvements. If carried out soon, representing a life-jacket rather than a lifeline.

John Griffiths



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Gap

Officially known as the Green Route, and referred to locally as the "missing link," the road will run from the M1/M6 junction at Catthorpe almost due east to the A1 at Huntingdon. It will thus fill a gap in the national road network in providing a direct route for the growing volume of traffic between the industrial Midlands and the expanding East Coast ports such as Felixstowe. But much more significantly to Corby, it will run just six miles to the south, allowing the town to plug-in to the national road network quickly and easily. The ability to do this is seen as crucial to the town's future, for that future depends now on being able to draw in a substantial assortment of industries to fill the huge employment hole left by the impending BSC shutdown.

It is primarily the lack of a fast link with the M1, 23 miles to the west, and the A1, 15 miles to the east, which has bedevilled Corby in its efforts to attract new industry.

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Festival Hall

Richter

by DOMINIC GILL

Superlatives are difficult to handle—unstable, tricky to keep in place, use them too much, and the currency is debased; reserve them strictly for the most sublime, the most exalted, and they all but vanish from use. The balance is never easy; but by allowing superlatives to join with any other than the very rarest and highest manifestations of art, the critic will find now and then that he is left without his clothes. To have heard Serkin, for example, at his greatest is to have been stripped heavily of all useful vocabulary, and to have heard Richter's piano recital at the Festival Hall last Saturday evening is to have felt the same nakedness. When superlatives are needed, they fall short of the mark.

The B major sonata D575, the central climax of the andante swelled to a splendid fortissimo, bright and firm. In the first movement and scherzo Richter gazed, pensive and a little withdrawn, into the music; a pool of calm, clear depths. And into the adagio of the unfinished F minor sonata too, published separately but proposed convincingly as the lost slow movement: swimming shadows moved there, pale and cool. He dropped the first allegro just as the composer left it, like a Schubertian Art of Fugue, in the middle of a bar—a question-mark, delicately poised, far more effective than Ratz's ersatz working. The finale, with its Chopinesque foreshadowings, was a miracle of complexity and contrasts, wildness and wisdom, brilliant light and shade.



Theatre Royal, Drury Lane

Elton John

by ANTONY THORNCROFT

Elton John is back on top. No doubt bucked by the winning ways of his football club, Watford (whose progress against Southend provided a running commentary to Monday night's concert), Elton has thrown away his blues and got himself a slow transplant and a large hat. He looked fine, and he acted his heart out for almost three non-stop hours.

His approach now is more restrained, no more climbing over the piano-antics. He just sits there and plays (rather heavily), and sings (rather well). He has two voices: one high, strained and unreal; the other low and melodious and used to powerful effect on the Jim Reeves' oldie. He'll have to go. Elton has also acquired quite a witty line in chat, much of it at the expense of his rival superstars. On this showing he can last for ever.

Viking loans at British Museum

The most comprehensive and spectacular exhibition ever mounted on the Vikings will open at the British Museum on February 14, 1980. It will run for five months until July 20. The loan of many exciting and significant objects, most of them never seen before in this country, has been promised by museums and other bodies in Denmark, Germany, Finland, Ireland, Norway, and Sweden. About a fifth of the exhibits will come from the British Isles.

When it leaves London, the Viking Exhibition will go in its entirety to the Metropolitan Museum, New York. It will then be dispersed. The exhibition is sponsored in London by Times Newspapers and is presented in association with Scandinavian Airline Systems, with the aid of a grant from the Nordic Council.

Television

Waiting for the answer

by CHRIS DUNKLEY

The past week has faced us once again with a group of television drama programmes using various methods to try to tell us "the truth." King, the three-part American biography on BBC1, has been telling the story of the black civil rights leader. No Mama No was about an unhappy mother and her unwanted child. On Giant's Shoulders was the story of the adoption of a Thalo-

mid child. As so often before, great concern has been expressed about whether or not particular incidents are portrayed "accurately" and indeed in some cases whether they have happened at all, and this must be a crucial matter—mustn't it? Surely it is impossible to imagine circumstances in which the programme maker could invent and show things which never really happened and at the same time claim to be "telling the truth?"

Of course it is not impossible. On the contrary, fiction may turn out to be far and away the most effective means of conveying the truth. Paradoxically, but significantly, only one of the programmes mentioned above was actually promoted as being a "true story" and that was, On Giant's Shoulders, which was BBC2's "Play Of The Week" complete with actors, actresses, scripts, makeup, and all the other trappings of the world of make believe.

King's Head

Shared Experience's Science Fiction

by B. A. YOUNG

Shared Experience have been doing this number since September last year. "You'll be surprised how it's changed," someone said behind me; but the general buzz is that it changes every night, and it is indeed described as "a nightly improvisation."

It is certainly very much changed from the productions of stories from the Arabian Nights with which they first came to us. They seem handicapped by the absence of a firm story-line. We are in a spaceship that disintegrates on an unknown planet. It is habitable, so preparations are made, in spite of the endless difficulties caused by the crew, to go into orbitation, preliminary to landation. The final approach is about to begin, when the planet disappears.

Derby Day 200 exhibition

Derby Day 200, a pictorial display commemorating two centuries of the most famous horse race in history, opens at the Royal Academy tomorrow, thanks to its sponsors, Coutts and Co., the Financial Times, Moet and Chandon and Sotheby's. In the Fine Rooms is displayed a panorama of a race which is so much more than a duel between horses.

The exhibition covers every aspect of the Derby, taking in the social side, betting, breeding, scandals and the pearls, as well as the horses. Fortunately

Genoese and Venetian baroque paintings at the National Gallery

Genoese and Venetian baroque paintings from collections in Britain and Ireland is the title of the National Gallery's major loan exhibition for 1979 to take place from September 5 to November 30.

This exhibition will be the first in which these two relatively neglected schools of painting are shown together. One artist in particular, Bernardo Strozzi, who will be represented by no fewer than ten paintings, will provide the



Terry Wiles and Judi Dench in 'On Giant's Shoulders'

want it!" never occurred. Yet to me the "inaccuracy" of that incident seems as unimportant as would be the discovery that — say — Drake never played bowls in his entire life. In both cases the "truth" about character conveyed by the illustrative events is what matters and not the events themselves. (In the case of King whose life was so full of evidence of his non-violent philosophy the invention does seem remarkably pointless, but still.)

For anyone who feels that the only reliable source of TV "truth" is verité news film, there is already in existence a compilation of precisely such material telling the story of King's life. But that, of course, cannot even attempt to show the dramatisation does the influences of father, wife, home life, children, and the doubts and fears which emerge in private. It simply shows public occasions, and news film may or may not do even that truthfully depending on the producers.

The main criticism of the worthy, workmanlike, and well acted King is not that it is "untruthful" but that it is over long. The same could be said of James's No Mama No for which the ITV network moved News At 10 to 9.00 so that the play could run for two hours from 9.30.

It was not presented as "the truth," being a dramatisation of Verity Bargate's novel of the same name, but that, we are told, was "based on the writer's own experiences" and it would be astonishing if either she or director Roland Joffe were to say that they were not trying to be "truthful" about women such as Jodie.

Cril Serrant used actor John Hurt to play Quentin Crisp, but in Joey the Spastic Joey Deacon played his adult self in Brian Gibson's magnificent programme about his life.

For the BBC's version last week of the "true" book by Marjorie Wallace and Michael Robson, director Anthony Simmons used the same approach and called on Terry Wiles to play himself, with results which were, for once, really breathtaking. Initial reaction to seeing the physically pathetic form on a hospital bed was that "realism" had gone too far: whatever our intellectual understanding of misfortune, instinctive reaction against deformity was too strong to carry us through.

Yet within minutes Terry Wiles had forced the viewer to subsume consciousness of that gross deformity under a far more powerful awareness of his staggering courage and humour. Anthony Simmons' courage was impressive enough: when faced with moments which might be criticised as blatant tear-jerking, he kept them in; the row and then the note, written with those flippers, saying "I love you Mummy," for instance—there must have been a terrible temptation to take that out as being just too syrupy. But (assuming it did happen) keeping it in was right.

Similarly it was right that interspersed with the masterly photography of the poky and grubby interior of the Wiles' house there should be very occasional poignantly beautiful shots of the surrounding landscape (the Fens?) from the cameras of Peter Bartlett and Nat Crosby. Such contrasts do play a part in all lives, no matter how awful, which is why No Mama No was wrong in its single-mindedness.

Simmons and his co-adaptor William Humble showed the darker as well as the lighter sides of the characters, and not just at the start so that matters could progress to a happy climax, either. Even at the end Hazel was given a bitter little scene rejecting the interest of a journalist — presumably Marjorie Wallace herself on her first visit.

Festival Hall

Elgar

by NICHOLAS KENYON

The more one hears Elgar's Cello Concerto, and the more one learns about the desperately unproductive last decade of his composer's life, the less convincing does it become to regard the Concerto as a reflection of national tragedy—a portrait of England stranded by the First World War. No, this is an intense personal tragedy, decked out with symphonic trappings, but at its heart where it is most intimate, most desolate.

In the Scottish National Orchestra's concert in the Festival Hall on Monday night, Ralph Kirshbaum gave a performance of the Concerto which penetrated this side of its character to the heart. I found it far more faithful than Tortelier's recent nervy, vibrantly active account. Kirshbaum found the centre of the music in those weird, fluctuating transitions between the movements (the first especially, pulled both ways between motto theme and scherzo), and in the last pathos-filled reminiscence of the Adagio (done without the least sentimentality, but rather with a hushed, uncertain despair).

The Concerto as a whole did not quite cohere: perhaps this was due to Kirshbaum's immediate response to every passing bar, perhaps to Sir Alexander Gibson's worryingly fussy approach to the orchestral accompaniment. He has conducted the SNO for 20 years now; can he not trust them a little more? The tiniest detail was filled in by his beat, and though this succeeded in characterising some of the thematic material very beautifully, more often it meant that the orchestra was marginally out of time with the soloist, preoccupied with a beat that was neither up nor down.

Bruckner's Sixth Symphony was in the second half, but at the start of the evening Gibson had achieved the almost incredible feat of making Elgar's Cockaigne Overture sound a long piece (again, small touches which the orchestra can "place," like the marvellous combination of themes before the end, were made so specific as to sound ponderous). And if Cockaigne was long, what would Bruckner's Sixth be? I confess I did not find out.

New Beethoven sonata at Wigmore Hall

Works of Rosemary Brown, including a sonata said to have been dictated by Beethoven, will receive their first public performance by pianist Timothy Carey at the Wigmore Hall, London on Saturday, April 28.

SPECIAL ANNOUNCEMENT

POSTAL SERVICES

There has been some improvement in the service given to mail in and through London but delays continue. Not all the overtime needed has been worked and sporadic unofficial industrial action has continued. Hence there is still serious congestion and delay in some London offices and at key points in the London system.

The Post Office and the Union of Post Office Workers are co-operating to bring about a quick return of the postal service to normal.

Meanwhile, the Post Office regrets that in some areas rebate and bulk postings still cannot be accepted, and all letters and parcels to and from London are subject to considerable delay.

Customers are advised only to post essential mail in and for London, and for adjacent counties.

Further information can be obtained from your local Head or District Postmaster.

The Post Office

Honda and BL: lifebelt or Trojan horse



By KENNETH GOODING, Motor Industries Correspondent

Caretaker's report

MOST PEOPLE will accept with some philosophy the loss of the "indefensibly wise and prudent" measures which would have constituted Mr. Denis Healey's 15th budget.

The underlying increase of more than \$1bn in the reserves during March makes this clear. Intervention has been substantial and one-way, despite the Bank of England's declared reluctance to endanger its monetary control in this fashion.

The money supply itself. Mr. Healey claimed, remains under control, and is near the centre of its target range for the year. To April, this claim is statistically true, thanks to the very expensive purchase of funding achieved in recent weeks.

First, the hot money flows and the strength of sterling largely reflects the uncomfortable fact that the Government has had to enforce the highest real interest rate in the developed world in an economy which is anything but vigorous.

Joint ventures with Japan

THE PROPOSED collaboration between BL and Honda, which may lead to the assembly of a Japanese model in the UK is logical for both companies.

More to gain While BL is short of engineering resources, Honda is outstanding among Japanese companies for its engineering skills and for designing cars which appeal to the European motorist.

Components The manufacture of Japanese cars in Europe does not, of course, involve Japan from the need to step up its imports both of complete vehicles and of components.

EUROPEAN car manufacturers yesterday reacted with a little bitterness, some dismay and a modicum of surprise at the news that BL really is to collaborate with Honda of Japan.

It has been widely expected that the Japanese would find a way of setting up some kind of manufacturing operation in Europe, either in a "neutral" country like Holland, which has no major local car maker to protect, or in the UK, which is the volume market with the weakest national automotive business.

The monetary targets and the borrowing requirement, the determinants of interest rates, remain unchanged, as befits a caretaker's package; but the Chancellor made it clear that this reflects his own inclinations. To raise the rate of monetary growth would be inflationary, to reduce it would sacrifice real growth.

Although it is the world's top motor-cycle manufacturer, with an overwhelming 40 per cent share of Japanese production, in the motor industry it is as yet just a promising middle-ranker with some powerful rivals.

Honda's rivals in the car industry say it is a company which tends to do well (on the domestic market) in years when it produces a new model, but markedly less well in "between-model" years.

MEN AND MATTERS

New York queues for atom film

The nuclear accident in Pennsylvania is not bad news for everyone. In New York queues for Columbia Picture's timely film The China Syndrome — which is about a near disaster at a California nuclear power station — stretch all round the block.

Wrapped up For those who like walking round their works of art, the oeuvre of Christo Javacheff, the Bulgarian artist who once wrapped a mountain, are just the thing.

Rowse and socks While W. H. Smith, formerly regarded just as booksellers, is now offering everything from coffee to kitchenware.

Playing the goat Scores of unsuspecting nannies, chewing old barbed wire and thinking their zealous thoughts, will soon be snatched away from Britain.

BL for the moment seems not to be short of cash; the major constraint on speeding up the project is its lamentable lack of engineering resources.

Table with 2 columns: THE PARTIES (BL, HONDA) and rows for Total sales, Sales of cars and trucks, Sales of cars and trucks as % of total sales, No. of employees.

has built up over the years because BL reflects the endemic problem of British society, which has traditionally undervalued the contribution of the engineer.

Given a national shortage of automotive engineers and engineering managers, and restrictions on what can be done to increase the remuneration of BL's engineers to a competitive level, it is clear there is no quick or easy solution to this problem.

Meanwhile the Marina, in its recently facelifted version, is just about holding its own at overseas sales in the six months ending August 31 last year.

Trying to catch Japan's giants

By CHARLES SMITH IN TOKYO

HONDA Motor Company is the classic example of a medium-sized Japanese company trying to catch up with the giants in its industry by expanding abroad.

market, and because Mitsubishi is shapening up as an increasingly formidable rival, the company has committed itself to what must be the Japanese industry's most ambitious overseas expansion programme.

Zhou's menu

It is not just an excess of free speech which has proved hard for the Chinese leadership to stomach. "Extravagant feasting" is another worry, according to Peking Radio, which has been out-talking about the absence of the traditional stark season in the Shanghai restaurant business.

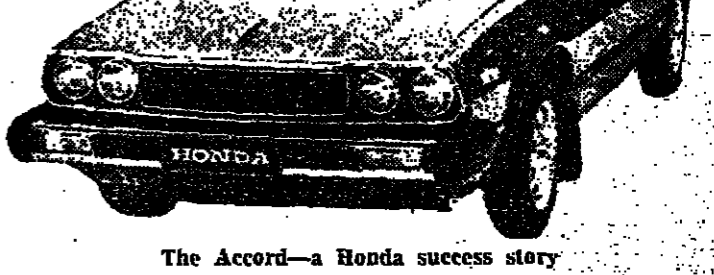
dropping a brick Brian Clarke of the Brick Development Association says he is less than pleased with the wording of an editorial in the latest issue of the magazine Building.

Observer 36 South Molton Street London W1 Telephone 01-629-1063. Open until 9pm

the French group to uphold its pledge that it would try to match BL imports with Renault imports should any deal be worked out.

On the face of it, an eminently suitable and willing partner has presented itself in the shape of Renault of France. Like BL it is State-owned but it must readily be added, one which receives much less in the way of Government largesse.

Renault, too, has offered to provide BL with a mid-range car to assemble in the UK—the R18. It has offered to get involved in joint development of new models. Renault would concentrate on smaller vehicles while BL would provide the expertise.



The Accord—a Honda success story

Another reason why Honda can well afford to feel confident about the chances of success for any venture it might embark on in Europe is the runaway success of its American exports.

Rowse and socks

While W. H. Smith, formerly regarded just as booksellers, is now offering everything from coffee to kitchenware.

Playing the goat Scores of unsuspecting nannies, chewing old barbed wire and thinking their zealous thoughts, will soon be snatched away from Britain.

Observer 36 South Molton Street London W1 Telephone 01-629-1063. Open until 9pm



Companies and Markets

UK COMPANY NEWS

Bank of Scotland over £34m—provisions lower

WITH THE clearing bank side benefiting from lower bad debt provisions, and higher interest rates, Bank of Scotland lifted taxable earnings by £3.3m to £24.25m in the year to February 28, 1979. This growth included a jump in its share of associates' profits from £766,000 to £2.16m.

HIGHLIGHTS

Lex considers the monetary projections contained in the Chancellor's truncated Budget speech yesterday in the light of the Government's borrowing requirement ahead of a full package of fiscal and monetary measures.

The Bank of Scotland reported preliminary profits yesterday which Lex regards as somewhat disappointing. Other companies reporting included Spirax-Sarco Engineering which continued its strong growth record, money broker R. P. Martin, which declared a fall in profits and dividends, Cape Industries, and Edgington where the loss of a substantial contract led to redundancies, a 40 per cent reduction in capacity in the camping manufacturing division and a 10 per cent drop in overall profits.

Realised gains on banking in 1978 were £407,000 (£1.7m) have been included in the results. In common with the four larger London clearing banks, the Bank of Scotland has dropped the Leach-Lawson rules on disclosure and for the first time publishes details of provisions for bad and doubtful debts.

Savoy Hotel profit down to £1.1m: hit by higher costs

FOLLOWING the fall from £873,000 to £432,000 in the first six months, the Savoy Hotel reports profits, before tax, of £1.1m for 1978 compared with £2.89m a year earlier. Trading profit amounted to £2.78m against £5.16m before increased deductions for costs of general maintenance, depreciation, dividends and interest, and interest payable.

on the record levels achieved during the 1977 Jubilee celebrations and Savoy, with no provincial hotels or gambling interests to sustain it, felt the impact. Price rises pushed total turnover up by 11.5 per cent but with margins under pressure, trading profits were down 7.5 per cent to £4.78m.

These studies will be submitted to the provincial Government for scrutiny. Some of the company's Alberta reserves are already being worked by other operators for local power station use.

St. Piran hits back at critics

THE BOARD of Saint-Piran has hit back at criticisms levelled by dissident shareholders about the conduct of the poll at Friday's EGM.

The dissidents, led by Mr. Max Lewinsohn, claimed that the votes of 5 offshore companies were not valid. Coopers and Lybrand, the scrutineers appointed by Mr. Lewinsohn with the consent of the Saint-Piran board said: "Following legal advice we are not satisfied at present that instruments of proxy in respect of the following votes against all the resolutions are valid."

Mr. Lewinsohn has also questioned whether the board is entitled to ignore the findings of one of the scrutineers. The report by Coopers was not read out to the EGM.

But Mr. Douglas Allen, the director of Saint Piran in charge of public relations, has obtained an opinion from leading counsel that the meeting and the poll were conducted scrupulously, correctly and in accordance with the articles of association.

The EGM, which was called to consider motions to change the board, has been adjourned until April 11.

Spirax-Sarco reaches £5.9m with 17.6% rise

FURTHER PROGRESS in the second half of 1978, with profits higher at £3.25m against £2.8m, resulted in full year pre-tax surplus of Spirax-Sarco Engineering, fluid control equipment specialist, ahead 17.6 per cent from £5.03m to a record £5.92m. Turnover rose by 18.6 per cent to £34.71m.

The directors say order intakes so far in 1979 have been satisfactory, especially in relation to the present low level of world economic activity. Overall volume, net of price increases, is being maintained ahead of last year, but they see no signs of great improvement in the company's established markets in the near future and it must rely for real growth upon new ventures abroad.

These are still comparatively young and will not yet yield major advances, the directors explain. Nevertheless, they say, growing new economies need the company's equipment at an early stage of their development just as its products are needed in sophisticated economies to assist maximum plant output and save fuel costs.

In general, the directors look forward to further progress in 1979, given reasonable world trading conditions.

Stated yearly earnings rose from an adjusted 18.2p to 20.3p per 25p share, while the dividend total is effectively stepped up from 4.45p to 4.96p net, with a 2.85p final.

Tax with SSAP 15 applied, took £1.74m (£1.43m) and after extraordinary debits of £93,000 (£88,000) and minorities, attributable profits increased from £3.09m to £3.95m.

Interest charges for the period was up from £221,000 to £456,000. Capital expenditure during 1978 amounted to £3.23m (£2.97m) and net borrowings rose from £1.44m to £2.97m at the year-end.

Turnover 1978 1977 34,707 29,289

Trading profit 5,926 5,453

UK 4,144 3,777

Overseas 1,782 1,676

Interest payable 426 421

Profit before tax 5,499 5,032

Minority interest 1,147 978

Overseas 594 750

UK 4,176 3,626

Cape Inds. ahead to £12.7m

Taxable profits of Cape Industries rose from £11.88m to £12.73m in 1978 on turnover ahead from £165.7m to £180.25m.

At the halfway stage the pre-tax surplus was down from £6.73m to £5.83m but the Board then said it was confident of making progress in restoring profit levels in the second half.

The group, which is a subsidiary of Charter Consolidated, was boosted by a reduction in extraordinary charges—down from £3.16m to £20,000. After these charges and tax of £2.2m, against £2.53m, profit attributable to shareholders came out nearly £5m higher, at £10,033m.

The building and insulation division increased trading profits by 57 per cent to £8.7m. But the automotive side was hit by pressure on margins and lower-than-expected demand for friction materials in the UK.

World demand for asbestos fibre continued to be weak. This was reflected in a further fall in the mining division's profits from £8.02m to £4.18m.

Stated earnings per 25p share rose from 43.9p to 45.9p. The final dividend of 5.96p net raised the total from 8.286p to 9.136p.

comment: The building and insulation division, which continues to be most responsible for Cape Industries' slightly better pre-tax profit in 1978, has recovered well while the automotive division's performance has slipped.

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Law Land advances to £312,095

FOLLOWING A downturn in highway profits from £358,379 to £237,248, the Law Land Company, property investment and development group, finished 1978 with pre-tax surplus up from £134,337 to £312,095, on turnover up nearly £1m to £9.93m.

Basic earnings per 20p share are given lower at 0.85p to 1.0p, and a final dividend of 0.8p lifts the total net payment from 1p to 1.1p.

The directors estimate that a valuation of the group's properties held as fixed assets on an open market basis would show a surplus in excess of £5m over book value of £30,655.

Turnover 1978 1977 9,926,148 8,974,085

Interest payable 2,000,860 2,807,952

Profit before tax 7,925,288 6,166,133

Minority profits 48,875 116,617

Exceptional credits 119,893 240,000

From cap. reserves 100,000 240,000

Extor. credits 602,394 1,524,371

Capital reserve 1,524,371 1,524,371

American development costs continue to hit R. Martin

WITH share of associated companies' profits lower at £51,936 against £98,725, taxable surplus of R. P. Martin fell from £359,553 to £287,888 in the six months to December 31, 1978.

Turnover of this foreign exchange and currency broker increased from £1.84m to £2.4m in the six months to December 31, 1978, to £23,355 (£23,629), stated earnings per 5p share are lower at 1.5p (2.4p). The net interim dividend is reduced to 1.5p compared with 2p—last year's total payment was 4.5p on pre-tax profits of £245,812.

The directors say group profitability continues to be impaired by the development costs both in New York and Toronto.

Although the New York company had reached breakeven in the third quarter of 1978, it returned to a loss in the final quarter, partly as a result of extending the company's banking activities there into international foreign exchange.

Although they still expect that the group will profit in time benefit from diversification into the North American markets, they feel it is sensible only to pay a covered dividend and are therefore declaring a reduced interim.

comment: Hope has been deferred at R. P. Martin too often for the market to take kindly to another drop in profits and dividends. Shares in the international money broker fell 10p yesterday to 50p.

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Halstead surges at halfway

FIRST HALF performance only £21,000 short of last year's record pre-tax total is reported by James Halstead (Holdings) and the directors are confident of continued progress.

For the six months to the end of 1978 the vinyl flooring and flooring accessories manufacture expanded profit from a depressed £103,384 to £754,472, on sales almost £1m ahead at £9.68m.

Substantial advance was forecast by the chairman in his annual report last November, following a 1977-78 second half jump which lifted the group's surplus from £197,000 to £785,000.

Discussions with the Treasury have failed to secure permission for more than a 10 per cent increase in dividend. However, the net interim payment, based on half the probable full-year total, is stepped up to 0.423p (0.22p) per 10p share and the directors say they will consider a higher final than this if restraint is relaxed. The final last time was 0.584p.

Loss Tax Business. I am pleased to report a most successful year in the Life Departments. In the Industrial Department, new annual premiums were 22% in excess of 1977. In the Ordinary Department they were 45% up. Premium income in the Industrial Department in 1978 exceeded the 1977 figure by 11.73% as against 9.38% in the previous year. In the Ordinary Department 1978 premium income exceeded 1977 by 10.36% as against 6.31% in the previous year.

Buoyant sales in the year under review promise good growth in premium income in 1979.

In the Annuity Department sales of the Self Employed (Personal) Pension policy reached a higher level, giving an increase in premium income in 1978 of 32% in excess of the 1977 figure.

Girobank tourist service extended

NATIONAL GIROBANK bureau de change services are now available at 34 additional post offices in tourist areas including London, Stratford-upon-Avon and York.

Travellers' cheques and foreign currency can be exchanged for sterling on each week day and on Saturday mornings.

Wesleyan & General Assurance Society

Successful year in Life Departments Increased revisionary bonuses Substantially improved terminal bonuses

Extracts from the speech of the Chairman, Mr. J.D. Field, in moving the adoption of the Report and Statement of Accounts for the year ended 31st December, 1978.

I would like to pay tribute to the valuable service rendered by Mr. P. A. G. Osler, who, after 25 years' service, retired as Deputy Chairman and Director on the 31st December, 1978. The Board has appointed Mr. J. A. Alderson to be Deputy Chairman and Mr. H. J. Jones to be Vice-Chairman.

Loss Tax Business. I am pleased to report a most successful year in the Life Departments. In the Industrial Department, new annual premiums were 22% in excess of 1977. In the Ordinary Department they were 45% up. Premium income in the Industrial Department in 1978 exceeded the 1977 figure by 11.73% as against 9.38% in the previous year.

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The British Bank of the Middle East. A Member of The Hongkong Bank Group. "The Middle East remains a good place to do business". Extracts from a Statement by the Chairman, P. E. Hutson. The Year's Results and Capital Changes. Consolidated after tax published profits were £4,821,492, as compared to £6,759,576 a year ago, reflecting a fall in the level of business activity in a number of important areas.

DIVIDENDS ANNOUNCED. Table with columns: Company, Current payment, Date of payment, Current rate, Total rate, Total last year.

PULLMAN INCORPORATED. At the Board meeting of March 21, 1979, the Pullman Board of Directors decided to withdraw from its rail passenger car business upon completion of contracts in process.

King & Shaxson. Limited. 52 Cornhill EC3 3PD. City Edged Portfolio Management. Service since 1979.

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مكتبة النور

INTERNATIONAL COMPANIES and FINANCE

U.S. Treasury raises \$16bn

BY DAVID LASCELLES IN NEW YORK WITH THE Federal debt ceiling finally raised to \$830bn the night before, after delays in Congress, the Treasury hurried yesterday to raise \$27bn in cash to keep itself in business.

BAYER IN THE U.S.

A 2-PER CENT share of the huge U.S. market is the declared aim of the German Bayer group, Europe's second biggest chemical concern.

A long way from Wuppertal

owner of Chemagro. The past few years have seen another burst of activity in the sphere of U.S. acquisitions.

turnover in the States having last year jumped to reach some \$2.1bn at end of year exchange rates.

concentrated on Bayer's three major U.S. companies. Mobay, whose annual sales in 1978 of \$779.5m made it the group's biggest foreign subsidiary.

Nabisco forecasts higher first quarter earnings

NEW YORK — Nabisco, the biscuits and food group, expects first quarter earnings to increase by about 7 to 9 per cent over comparable 1978 earnings, according to Mr. Robert M. Schaeberle, chairman.

Midland Bank signs China loan

MIDLAND BANK signed an agreement yesterday to provide a \$100m five-year loan to the Bank of China.

EUROBONDS SDR50m issue for Finland

THE FIRST ever bond for a sovereign borrower denominated in Special Drawing Rights (SDRs) was launched for the Republic of Finland yesterday by Credit Suisse First Boston.

Weston pegs Bay terms

BY JIM RUSK IN TORONTO GEORGE WESTON of Toronto is sticking to its bid of C\$40 a share for control of Hudson's Bay Company, of Winnipeg.

Phillips Petroleum outlook

PHILLIPS PETROLEUM expects its first quarter to be as good as last year's because of the level of prices for crude oil and petroleum and an improvement in chemical markets.

THIS ANNOUNCEMENT APPEARS AS A MATTER OF RECORD ONLY



THE DOMINICAN REPUBLIC

U.S. \$185,000,000 MEDIUM TERM CREDIT FACILITY

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AGENT THE CHASE MANHATTAN BANK, N.A. 20th MARCH, 1979

Sharp gain at Corning Glass

NEW YORK — Corning Glass Works has made a strong start to the current year with first quarter earnings rising from \$22.02m to \$1.24 a share to \$33.99m, equal to \$1.92 a share.

Recovery at Chessie

CLEVELAND — Chessie, largest coal hauler in the U.S., has made a sharp recovery with first quarter earnings totalling \$8.3m, equal to 42 cents a share.

RESULTS IN BRIEF Parker Drilling income boost

NEW YORK — The Oklahoma-based drilling services company Parker Drilling experienced a sharp upturn in net income for the six months ended February 28.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns for U.S. DOLLAR, DEUTSCHE MARK, SWISS FRANC, YEN STRAIGHTS, OTHER STRAIGHTS, NOTES, FLOATING RATE, CONVERTIBLE BONDS. Includes columns for Issued, Bid, Offer, Day, Week, Yield.

B and M declares itself bankrupt

By Andrew Fisher in Frankfurt. WEST GERMAN construction company, Beton-und-Monierbau, is to declare itself bankrupt. The news of the apparent failure of Beton-und-Monierbau...

French state to tap bond market

By Terry Dowdsworth in Paris. THE FRENCH Government's determination to continue to finance as much as possible of its Budget deficit through a series of bond offerings was underlined yesterday with the announcement of a new FF 3bn (\$700,000) issue. This is the first Government loan this year and will carry a coupon of 9 per cent showing a further easing of market rates since the last loan in December of 9.45 per cent.

Profits at Olivetti plunge by 60%

BY PAUL BETTS IN ROME

OLIVETTI SpA, the parent company of the Olivetti mechanical engineering and electronics group, saw its profits last year decline by 60 per cent to L2.1bn (\$2.48bn) from L5.3bn, despite capital gains of some L21.9bn after the sale last November of several assets.

Creusot-Loire deficit doubles

BY DAVID WHITE IN PARIS

CREUSOT-LOIRE, the French engineering, steel and nuclear concern, saw its parent company net loss more than double last year to FF 333m (\$73m), but said it hoped to reverse the trend this year and break even from 1980 onwards.

Losses continue at Brostroem

BY VICTOR KAYETZ IN STOCKHOLM

BROSTROEM, the Swedish shipping group, reports a 1978 pre-tax loss of SKr 227m (\$32m), against a 1977 loss of SKr 157m. The board recommends passing the dividend for the fifth consecutive year.

Subsidiaries lift turnover for Oce group

BY OUR AMSTERDAM CORRESPONDENT

THE DUTCH copier group, Oce-van der Grinten, is considering further acquisitions abroad despite the fact that it is still absorbing the UK Ozalid concern. Mr. Jan Kaptein, chairman, said that without wishing to fuel speculation the company was "open for" further acquisitions, particularly in the U.S.

(\$853,325m) last year representing a 24.9 per cent increase over 1977. Consolidated turnover rose by 14 per cent on a year-on-year basis to L1,555.8bn. Of the parent company's net sales, some L310.7bn were accounted for by exports which rose by 21.5 per cent over 1977.

ABN steps up overseas expansion

By Charles Bachelor in Amsterdam

ALGEMENE BANK Nederland (ABN) intends to expand its branch networks in West Germany, the U.S. and Canada as part of its planned concentration of Europe and North America for future growth abroad.

Dutch paper group ahead

By Our Amsterdam Correspondent

PROFITS of the diversified Dutch paper and board group Buisman-Peterode (BT) continued to suffer in 1978 from losses at the Belgian subsidiary, Pameteries de Mont St. Guibert. Net profit rose 7 per cent to Fl 41.5m (\$20.5m) on sales which were 13 per cent higher at Fl 1.77bn (\$876m).

Slight drop in Eurofima earnings but payout held

BY JOHN WICKS IN ZURICH

EUROFIMA, THE Basle-based company owned by European railway administrations for the financing of rolling stock, is to pay an unchanged dividend of 4 per cent for 1978 from slightly lower net profits of SwFr 17.6m (\$10.35m) compared with SwFr 17.8m for 1977.

Genstar Limited. has concluded the sale of the cement and cement product operations of its wholly-owned subsidiary Miron Company Limited to Interdec (Canada) N.V.

Alcan Aluminio do Brasil S.A. U.S. \$80,000,000. Twelve Year Loan. Managed by Orion Bank Limited.

Republic Steel Corporation. U.S. \$36,000,000. Eurodollar Revolving Credit and Term Loan. Arranged by Orion Bank Limited.

Bank Bumiputra Malaysia Berhad. U.S. \$30,000,000. Floating Rate Notes 1984. The following have agreed to subscribe or procure subscribers for the above Notes: Morgan & Cie S.A., The National Bank of Kuwait S.A.K., European Banking Company Limited, Arab-Malaysian Development Bank Berhad, The Bank of Tokyo (Holland) N.V., Bankers Trust International Limited, Banque Nationale de Paris, Bumiputra Malaysia Finance Limited, Chase Manhattan Asia Limited, Manufacturers Hanover Limited, Swiss Bank Corporation (Overseas) Limited.

BW Bank dividend. Baden-Wuerttembergische Bank (BW Bank) is paying a dividend of DM 9 per DM 50 share on its 1978 results, not DM 18 per share as stated in the issue of March 27.

Companies and Markets INTL. COMPANIES and FINANCE

MODEST 1978 GAIN FOR JARDINE

Better prospect seen after write-offs

BY ANTHONY ROWLEY IN HONG KONG

JARDINE MATHESON and Co., the biggest of the diversified trading and services groups in Hong Kong, has announced attributable after-tax profits of HK\$336m (US\$67.2m) for the year to December 31.

The net result was that there were extraordinary profits for Jardine of HK\$9.5m after-tax, compared with extraordinary losses of HK\$6m in 1977. However, following a review of investments in associated companies, particularly those in natural resources where no dividends have yet been paid, Jardine has made provisions of HK\$90m.

The final dividend being paid in cash to all shareholders. The dividends are 2.2 times covered. Jardine says that its liquidity had improved significantly by the end of last year, while term borrowing had been reduced despite the issue during the year of \$5.2m of loan stock to acquire minority shareholdings in Jardine. Matheson (South East Asia). Mr. Newbigging reported considerable progress in "eliminating or stabilising problems" which had affected Jardine Industries in Hong Kong and the Philippines, and "substantially improved" results from Hennes Consolidated Holdings in South Africa.

Swire Properties ahead
1979 would show a "further improvement, although the outlook is less certain". This caution echoes that expressed last week by Hongkong Land, the biggest of the real-estate groups in Hong Kong and by Cheung Kong, the leading Hong-Kong-Chinese owned property group here.

American Express International Banking Corporation

Table with 2 columns: Assets and Liabilities and Shareholder's Equity. Rows include Cash and due from banks, Investment securities, Loans and discounts, etc. Includes a Board of Directors list with names like Hoyt Amidon, Richard F. Blanchard, etc.

Arab Bank profits and assets rise

By Rami G. Khouri in Amman
THE ARAB BANK, the largest commercial bank in the Arab world, based in Amman, has reported a net profit of JD 13m (\$41m) for last year, compared with JD 12.3m the previous year.

Email broadens Kelvinator bid

ADELAIDE — Email is to extend an offer to the remaining shareholders in Kelvinator Australia as soon as practicable, but before it has had time to consider the full implications of making such a bid.

Ecofield buys Wheelock stake

By Our Own Correspondent
WHEELOCK MARDEN has announced that its wholly-owned subsidiary, Australmar Investments Proprietary, has sold 700,000 of the shares it owned in Wheelock Marden Investments (Australia), a company publically quoted in Sydney.

Pick 'n Pay earnings up

BY JIM JONES IN JOHANNESBURG
PICK 'N PAY, the South African supermarket chain, has announced a 41.6 per cent turnover increase to R466.5m (\$552m) for the year to February 28 from R329.6m in the previous year, and a similar percentage rise in pre-tax profit to R14.1m (\$16.7m), from R9.9m.

Ben hit by losses in Malaysia

By H. F. Lee in Singapore
BEN AND CO. continues to be beset by problems, with last year's final tally again ending in the red. The pre-tax loss for the year ended December 1978, was \$800,000 (U.S.\$270,000) compared with a loss of \$413,000 for the previous period of ten months.

ASEAN FINANCE Challenge to merchant banks

BY ANTHONY ROWLEY, RECENTLY IN JAKARTA
EUROPEAN MERCHANT banks operating in the five-member Association of South East Asian Nations (ASEAN) may find themselves facing competition from a new kind of indigenous investment bank in future.

American Express International Banking Corporation
Commercial Branches and Subsidiaries: Amsterdam, Antwerp, Athens, Bahrain, Basle, Bombay, Brussels, Cairo, Calcutta, Cannes, Chittagong, Copenhagen, Dacca, Dubai, Düsseldorf, Florence, Frankfurt, Geneva, Grand Cayman, Hamburg, Heidelberg, Hong Kong, Jakarta, Jakarta Kota, Karachi, Kuala Lumpur, Lahore, Lausanne, London, Manila, Mexico, Milan, Monte Carlo, Munich, Naples, New Delhi, Nicosia, Okinawa, Paris, Praeaus, Rome, Salonica, Seoul, Singapore, Taipei, Tokyo, Venice, Vienna, Zurich, Agency: New York City.

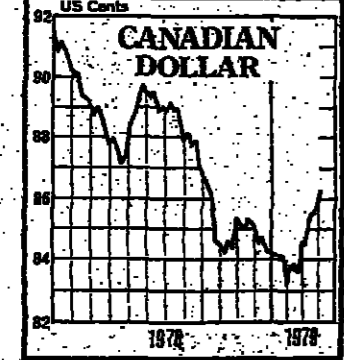
All of these securities having been sold, this announcement appears as a matter of record only.
\$450,000,000
Southwestern Bell Telephone Company
Forty Year 9 5/8% Debentures, due March 15, 2019
Goldman, Sachs & Co.
Bache Halsey Stuart Shields
E. F. Hutton & Company Inc.
Kidder, Peabody & Co.
Lehman Brothers Kuhn Loeb
Merrill Lynch White Weld Capital Markets Group
Salomon Brothers
Dean Witter Reynolds Inc.
Morgan Stanley & Co.
The First Boston Corporation
Blyth Eastman Dillon & Co.
Dillon, Read & Co. Inc.
Donaldson, Lufkin & Jenrette
Drexel Burnham Lambert
Lazard Frères & Co.
Loeb Rhoades, Hornblower & Co.
Paine, Webber, Jackson & Curtis
Smith Barney, Harris Upham & Co.
Warburg Paribas Becker
Wertheim & Co., Inc.
Bear, Stearns & Co.
L. F. Rothschild, Unterberg, Towbin
Shearson Hayden Stone Inc.
ABD Securities Corporation
A. E. Ames & Co.
Atlantic Capital
Basle Securities Corporation
Alex. Brown & Sons
Daiwa Securities America Inc.
Dominion Securities Inc.
F. Eberstadt & Co., Inc.
A. G. Edwards & Sons, Inc.
EuroPartners Securities Corporation
Robert Fleming
Kleinwort, Benson
Ladenburg, Thalmann & Co. Inc.
Moseley, Hallgarten, Estabrook & Weeden Inc.
New Court Securities Corporation
The Nikko Securities Co.
Nomura Securities International, Inc.
Oppenheimer & Co., Inc.
Piper, Jaffray & Hopwood
Wm. E. Pollock & Co., Inc.
Scandinavian Securities Corporation
Stuart Brothers
Thomson McKinnon Securities Inc.
Tucker, Anthony & R. L. Day, Inc.
Wood Gundy Incorporated
Yamaichi International (America), Inc.
April, 1979

Handwritten signature or mark at the bottom of the advertisement.

Pound easier; yen weak

The dollar and sterling tended to move in the same direction once again in the foreign exchange market yesterday.

2,065, a fall of 15 points on the day. The Irish punt rose slightly against the dollar, closing at \$2.0375.



dollar easing to DM 1.8810 from DM 1.8835 against the D-mark, but rising slightly to SwFr 1.7040 from SwFr 1.7030 in terms of the Swiss franc.

The Italian lira remained the strongest currency in the European Monetary System, showing a rise from its ECU central rate of 1.4205 per cent, compared with 1.3422 previously.

FRANKFURT—The Bundesbank did not intervene when the dollar was fixed at DM 1.8880 against the D-mark, compared with DM 1.8810 previously.

Table with columns: Apr. 3, Pound Sterling, U.S. Dollar, Deutschemark, Japanese Yen, etc.

Table with columns: Apr. 3, Euro-currency interest rates for various currencies and terms.

INTERNATIONAL MONEY MARKET Paris rates easier

Short-term interest rates showed an easier tendency in Paris yesterday, reflecting the high level of liquidity in the market.

unchanged at yesterday's auction at 8.05 per cent. Rates on one, two and three-month Treasury bills were also unchanged at 7.75 per cent.

UK MONEY MARKET Full credit supply

Bank of England Minimum Lending Rate 13 per cent (since March 1, 1979).

Factors against the market included a moderate net take up of Treasury bills to finance and a small increase in the note circulation.

Table with columns: Apr. 3, London Money Rates for various currencies and terms.

Local authority and finance houses seven days' notice, others seven days' fixed.

THE POUND SPOT AND FORWARD

Table with columns: April 3, Day's spread, Close, One month, Three months, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: April 3, Day's spread, Close, One month, Three months, etc.

CURRENCY RATES

Table with columns: April 3, Bank rate, Special Drawing Rights, etc.

CURRENCY MOVEMENTS

Table with columns: April 3, Bank of England, Morgan Guaranty, etc.

OTHER MARKETS

Table with columns: Apr. 3, Argentina Peso, Australia Dollar, etc.

INDUSTRIAL ARCHITECTURE AWARD 1979. Applications are now invited for an outstanding work of industrial architecture in the United Kingdom.

COMPANY NOTICES

THE AFRIKANDER LEASE LIMITED. MAAL REEFS EXPLORATION AND MINING COMPANY LIMITED.

LEGAL NOTICES

IRWIN PHOTOGRAPHY LIMITED. NOTICE IS HEREBY GIVEN pursuant to Section 233 of the Companies Act, 1948.

GOLD Slight rise

Gold Bullion (one ounce) Close \$840.84, \$839.14. Opening \$839.14, \$840.24.

RESIDENTIAL PROPERTY

FRANCE VALLEE DU RHONE ESTATE FOR SALE. 114 acres, one owner, very healthy alluvial land.

MONETARY RATES

Table with columns: NEW YORK, GERMANY, FRANCE, JAPAN, etc.

PUBLIC NOTICES

NOTICE OF MEETING. TIME ASSURANCE SOCIETY. 45 QUEEN'S ROAD, DORMAN, SINGAPORE.

PERSONAL

DOWNTOWN MANHATTAN OFFICES AT OUT-OF-TOWN PRICES. Professional representation and full office facilities.

EDUCATIONAL

FLORENCE—Learn Italian quickly and well at the British Institute, London.

CLASSIFIED ADVERTISEMENT RATES

Table with columns: Commercial and Industrial Property, Residential Property, etc.

Companies and Markets

Early Wall St. rally as nuclear threat lessens

INVESTMENT DOLLAR PREMIUM... Effective \$2.0666 23 1/2% (24 1/2%)

REVERSING THE recent reactionary trend, Wall Street staged a useful advance in early dealings yesterday as selling abated in the hard-hit nuclear power stocks.

The Dow Jones Industrial Average moved ahead 7.10 to 893.33 at 1 pm, while the NYSE All Common Index rose 47 cents to 257.20 and gains commanded more than a two-to-one lead over declines.

Analysts said the selling on Monday in nuclear-related issues appeared to have reached a climax and that a rebound was due.

Other helpful market factors were the strength of the dollar and the large amount of cash in the hands of institutions.

However, the trucking shutdown remained a worry, with some industries already feeling the impact of the strike lock-out.

General Public Utilities topped the active list after trading was resumed for the first time in two days, but the shares lost 1/2 to 3 1/4.

Other Nuclear Power issues picked up. Kerr-McGee, a major uranium producer, rose 3 1/2 to 34 1/2.

By contrast, the leading Amer active, rose 1/2 to \$8 1/2. It has received a contract to complete development of Kennecott Copper's coal desulphurisation plant.

THE AMERICAN SE Market Value Index strengthened 1.34 to 1738.80 at 1 pm on volume of 2.67m shares.

By contrast, the leading Amer active, rose 1/2 to \$8 1/2. It has received a contract to complete development of Kennecott Copper's coal desulphurisation plant.

Oils were mostly higher, but

Sundance Oil, on lower fourth-quarter net earnings, declined 1/2 to \$28.

Canada

A recovery tendency was also apparent on Canadian markets yesterday morning, after the Ottawa stock exchange resumed trading.

Tokyo

There was a further widespread setback in moderate activity, with the market still worrying about a possible credit squeeze.

The Nikkei-Dow Jones Average rose 53.92 to 2,539.25, 0.03% off the Tokyo SE index fell 4.24 more to a low for the year of 441.1, while volume came to 260m shares.

Nippon Steel Y4 to Y12, Toray Electric Y9 to Y10, Matsushita Electric Industrial Y10 to Y600.

Germany

After Monday's depression, shares mainly rallied on meeting strong buying at the lower levels from both private and institutional investors.

Hong Kong

Stock prices continued to retreat in quiet dealings, still

Jobannesburg

Gold shares were quietly easier in the afternoon, with lower

Motors were well favoured. Daimler-Benz gained DM4.00 following news of a new car model.

Paris

Stocks displayed a downward tendency in moderate trading. Brokers said the weakening trend was a result of selling orders accumulated during the five-week strike of brokers' clerks.

Tokyo

Stock prices continued to retreat in quiet dealings, still

Jobannesburg

Gold shares were quietly easier in the afternoon, with lower

NEW YORK

Table of stock prices for various companies in New York, including Abbott Labs, AM International, and others.

NEW YORK

Table of stock prices for various companies in New York, including Corning Glass, C.I. International, and others.

NEW YORK

Table of stock prices for various companies in New York, including John Hancock, Johnson & Johnson, and others.

NEW YORK

Table of stock prices for various companies in New York, including Woolworth, Wm. Wrigley, and others.

NEW YORK

Table of stock prices for various companies in New York, including AEG, Allianz, and others.

NEW YORK

Table of stock prices for various companies in New York, including AEG, Allianz, and others.

EUROPEAN OPTIONS EXCHANGE

Table of European options exchange data, including series, volume, and price.

BASE LENDING RATES

Table of base lending rates for various banks and currencies.

BASE LENDING RATES

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Table of base lending rates for various banks and currencies.

Indices

Table of indices for New York, including Industrial, NYSE, and others.

Table of indices for Standard and Poors, including Industrial and Composite.

Table of indices for NYSE All Common, including April, March, and others.

Table of indices for Montreal, including Industrial and Composite.

Table of indices for Johannesburg, including Industrial and Composite.

Table of indices for Tokyo, including Industrial and Composite.

Table of indices for Australia, including Industrial and Composite.

Table of indices for Stockholm, including Industrial and Composite.

Table of indices for Oslo, including Industrial and Composite.

Table of indices for Johannesburg, including Industrial and Composite.

Table of indices for Paris, including Industrial and Composite.

Table of indices for Amsterdam, including Industrial and Composite.

Table of indices for CopenHagen, including Industrial and Composite.

Table of indices for Milan, including Industrial and Composite.

Table of indices for Vienna, including Industrial and Composite.

Vertical text on the right edge of the page, including 'BRITISH' and 'NSU'.

COMMODITIES and AGRICULTURE

Nickel futures market planned

BY JOHN EDWARDS, COMMODITIES EDITOR
A NICKEL futures market is to be launched later this month by the London Metal Exchange...

International Nickel of Canada, the world's biggest producer, took a different view. It issued a statement regretting the LME decision...

Sharp rise in tin market
Escape from the 'famine trap'

By John Edwards, Commodities Editor
TIN PRICES jumped on the London Metal Exchange yesterday as fresh buying came into an oversold market...

WHILE INDIA'S foodgrain storage space is already strained by three successive bumper harvests, the Ministry of Agriculture has forecast yet another record harvest for 1978-79...

'No' to price war in wheat trade

OTTAWA—Canada and Australia have agreed to refrain from trying to increase their shares of the international wheat market by undercutting each other's prices...

Protest at meat levy increase

THE UK Meat and Livestock Commission has angered British livestock farmers, slaughterers and meat processors by announcing a 3% per cent increase in the levies through which it is financed...

The meat trade supports the highest meat promotion budget but is very unhappy about the cost of the Commission's general activities. It could have saved at least £500,000 a year by reducing the statistical sample used for calculating sheep and cattle numbers...

No ban yet on hide exports

By Our Commodities Staff
A MEETING of Common Market diplomats and Commission officials has failed to agree on a British appeal for a ban on all exports of raw hides from the EEC...

Drought hits Central American coffee crop

BY OUR COMMODITIES STAFF
COFFEE SUPPLIES from Central America and Mexico could fall 3.8m bags short of demand in the second half of this year, Mr. Eduardo Gonzalez, president of the Central American Coffee Producers' Federation said in Guatemala City yesterday...

BRITISH COMMODITY MARKETS

Table with columns for Base Metals, Copper, Zinc, Tin, Lead, Aluminium, and other commodities with their respective prices and changes.

DISPUTE HITS WOOL EXPORTS

SYDNEY—A dispute at Wool-dumpers, a New South Wales company, is delaying the export of 14,000 bales of wool to Japan, the USSR and Western Europe...

PRICE CHANGES

Table showing price changes for various commodities including Metals, Rubber, Soyabean Meal, and Sugar.

AMERICAN MARKETS

Table showing market news and prices for American commodities such as Cocoa, Wheat, and Soybeans.

INSURANCE BASE RATES

Table listing insurance base rates for property, fire, and other risks.

Advertisement for International Molasses, featuring a 'Special blend?' and contact information.

SILVER

Table showing silver prices in various forms and locations.

MEAT/VEGETABLES

Table showing prices for various meats and vegetables.

EUROPEAN MARKETS

Table showing market news and prices for European commodities.

Should you still hold, add or sell metals?

Will cocoa, coffee, sugar follow? In trading major moves you need to see what you are doing

COCOA

Table showing cocoa prices and market news.

Wool Futures

Table showing wool futures prices and market news.

INDICES

Table showing various financial indices including Dow Jones and Moody's.

Advertisement for London Commodity Charts, providing contact details and a list of commodities.

Advertisement for COFFEE, discussing market trends and providing contact information.

Advertisement for WOL FISH, providing details about the product and contact information.

Advertisement for INDICES, providing a list of indices and their values.

LONDON STOCK EXCHANGE

Markets drift lower on further small profit-taking Equity index closes 6.9 down at 525.3 and Gilts lose 5/8

Account Dealing Dates
Option
*First Declara- Last Account
Declarations Dealings Day
Mar. 26 Apr. 5 Apr. 6 Apr. 18
Apr. 9 Apr. 19 Apr. 20 May 1
Apr. 23 May 3 May 4 May 15

lowest at 5 1/4 per cent for a fresh loss of 1/4 point. Yesterday's SE conversion factor was 0.8029 (0.7918).
Business in Traded Options was heavier than on Monday but the number of contracts was well below last week's record levels. Trades completed amounted to 1,283 against the previous day's 1,016. Marks and Spencer were again active with 288 deals, while Boots, 148, and Imps, 136, were also lively.

Banks easier
Home banks drifted lower on lack of support. NatWest closed 6 to 352p, while Lloyds, 335p, and Midland, 415p, reacted 5 pence. Bank of Scotland touched 352p in response to the satisfactory results and property revaluation before closing unchanged on balance at 347p. Still reflecting last week's decision to sever the punt's links with sterling, Allied Irish gave up 4 afresh to 200p, while investment currency influences brought about falls of 5 and 3 1/2 points respectively in Hong Kong and Shanghai, 149p, and Deutsche, 233p.

Harris Queensway 43p
Harris Queensway became a prominent weak feature in Stores, profit-taking ahead of the forthcoming results bringing about a fall of 20 to 232p. Embury, however, continued to draw strength from the recent good results, proposed scrip issue and ensuing Press comment and closed 12 higher at 250p. John Michael added 3 to 250 and MFT rallied 5 to 349p. With the exception of Glaxo A, which hardened 2 to 418p, the index constituents rarely exceeded fourpence.

Equity prices last month advanced strongly with institutions providing the main driving force and stock shortage added impetus to the rise. Prices soared ahead of and immediately after the Government's defeat in the Commons - confidence motion on March 28 which forced Mr. Callaghan to declare a General Election for May 3.

settled by the warning on profit margins, while trading statements failed to benefit Highland Electronics, 73p, and Bulgla A, 34p, down 2 and a penny respectively. United Scientific encountered selling and gave up 7 to 251p, but AB Electronic continued to reflect the good interim results and put on 4 more to 212p, while Pve Holdings rallied further to 112p before settling at 109p for the 7 on that day. On the other hand, Electronic Rentals eased 6 to 218p.

Occasional offerings and the absence of support made for quietly dull conditions in the Engineering leaders. John Brown drifted off to close 10 cheaper at 855p, while GKN gave up 4 to 261p awaiting tomorrow's preliminary results. Tubes were also 4 lower, at 396p, while Hawker, 252p, and Vickers, 180p, also staged a few pence up. In Foods small scrip supply left Cadbury Schweppes 2 cheaper at 554p. Lack of interest saw Avana drift down to 87p before a late rally left the price a net 3 cheaper on balance at 91p. By contrast, Anglo added 4 afresh to 200p, while investment currency influences brought about falls of 5 and 3 1/2 points respectively in Hong Kong and Shanghai, 149p, and Deutsche, 233p.

Steady to a shade firmer at the outset, leading Buildings issues subsequently turned easier and usually closed marginally lower on balance. Ahead of tomorrow's annual results, London Brick relinquished 1 1/2 to 75p, and F. J. C. Lilly 3 to 86p. By contrast, small interest in limited markets lifted Brown and Jackson 8 to 438p, and James Litham 5 to 167p. ICI drifted lower to close 4 cheaper at 386p, but Pisons rallied to be unchanged at 312p, after 308p. Elsewhere, sharply higher interim profits left James Balsled 2 to the good at 43p.

Further consideration of the preliminary results prompted a turn-around in Ocean Transport, which, at 100p, lost the previous day's gain of 4. Other Shipping also displayed easier trends, P and O Deferred losing 3 to 235p, but Common Bros provided a bright spot at 220p, up 6. Elsewhere, speculative demand lifted Harding Gilsen 1/4 to 167p. The rising tide of sterling, however, traded quietly and ended with little alteration on the overnight levels, but, following last week's interim statement, Ratley Faslin added 3 for a two-day gain of 5 at 65p.

The slightly disappointing annual results prompted a reaction of 10 to 90p in Black and

Edgington, but fresh speculative demand lifted Management Agency and Music 5 to 153p. In a marked absence of buying interest, Motors and kindred issues closed slightly easier but F. C. Gabor, mixed against the trend with a rise of 1 to 60p. Continued pressure on the Irish punt left Jefferson Smurfit 11 off at 175p. Reduced profits from Harrison and Sons came as no surprise and the share held steady at the overnight level of 70p.

Already easier on receding hopes of an early cut in Minimum Lending Rate, Properties took a distinct turn for the worse in late dealings after the Chancellor's exclusion of the topic from his mini-Budget proposals. British Land finished 3 cheaper at 71p, as did MEPC, at 131p, while Great Portland Estates and Haslemere both eased 4 to 274p and 288p respectively.

Oil's lack support
The Oil leaders started on a firm note, but initial gains were gradually eroded in the absence of follow-through support and final quotations were little altered on balance. British Petroleum touched a fresh peak of 1,198p before settling a net 2 off at 1,182p, while Shell finished unaltered at 780p, after 785p. Dollar premium influences left Royal Dutch 1 lower at 241. Among the more speculative issues, Tricentral gave up 6 to 196p, while Burmah moved between extremes of 116p and 122p before closing 2 off on the day at 118p.

Among South African industrials, Abercom fell 7 to 108p following the announcement of a R10.2m rights issue.

In Plantations, support was forthcoming for selected secondary counters with the Evans group of companies outstanding; Berrams added 7 to 105p, while Jitta put on 6 at 153p. Renewed bid hopes lifted London Samara 10 to 270p, while Harrison's Malaysian Estates, 136p, and Anglo-Indonesian, 116p firmed 4 and 5 respectively.

Tanks lose ground
London-registered Financials held the limelight in an otherwise wide drab trading market. After opening quietly firm prices came under light selling pressure prompted by the downturn in UK equities.

Tanks were additionally burdened by news that Union Miniere had cut its dividend to BF 400 from BF 500. Tanks, which has a 17.6 per cent stake in Union Miniere, fell 7 to 183p, while Union Miniere dropped 1 1/2 to 161p.

Gold Fields fell 5 to 219p in front of today's half-year figures as profit-taking set in after the recently attained 1979 high. South African Golds remained out of favour despite the continuing steadiness of the bullion price. Activity stayed at minimal levels and prices slipped back causing a further 3.3 fall in the Gold Mines index to 149.1 and a 1.0 loss in the ex-premium index to 119.7.

Among heavyweights Golds, Randfontein gave up almost a point at a 1979 low of 238p, while losses of 1 were common to Barlwell, 212p, and Vaal Reef, 114. Stiffened, dropped 15 to 332p following publication of the annual report.

In an uncertain Australian market, Posenential rallied 25 to 720p, after 750p, as overnight Australian buying more than offset American selling which reflected continuing nervousness over the Pennsylvania nuclear power station accident.

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices (Government Secs, Fixed Interest, Industrial, etc.) and their values for April 3, 1979.

HIGHS AND LOWS
Table showing high and low prices for various stocks on April 3, 1979.

ACTIVE STOCKS
Table listing various active stocks and their closing prices and changes.

OPTIONS
Table listing various options and their details.

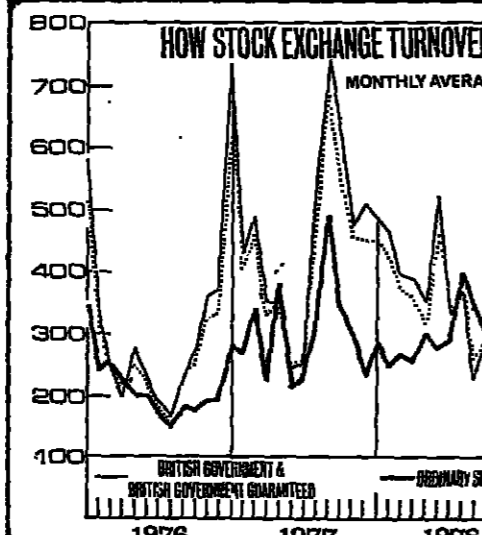
RISES AND FALLS YESTERDAY
Table showing the rise and fall of various stocks and indices on the previous day.

STOCK EXCHANGE BUSINESS LAST MONTH

Turnover in equities an all-time record

BY GEOFFREY FOSTER

STRONG HOPES of a Conservative victory in the General Election encouraged heavy institutional and public buying of equities last month and pushed turnover in ordinary shares to a record high.



Equity prices last month advanced strongly with institutions providing the main driving force and stock shortage added impetus to the rise. Prices soared ahead of and immediately after the Government's defeat in the Commons - confidence motion on March 28 which forced Mr. Callaghan to declare a General Election for May 3.

Table showing the number of bargains and average value per day for various categories of securities.

LONDON TRADED OPTIONS

Table of London Traded Options for April, July, and October, showing option prices, closing offers, and equity close.

RECENT ISSUES

Table listing recent issues in equities, including company names and issue details.

FIXED INTEREST STOCKS

Table listing fixed interest stocks, including company names and issue details.

"RIGHTS" OFFERS

Table listing rights offers, including company names and issue details.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Large table showing FT-Actuaries Share Indices for various equity groups and sub-sections, including indices for different sectors and overall market performance.



AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as 1000 Unit Tr. Mgrs. (a), 1000 Unit Tr. Mgrs. (b), and others, with columns for name, manager, and other details.

Table listing insurance and property bonds, including entries for Abbey Life Assurance Co. Ltd., Crown Life Assurance Co., and others, with columns for name, address, and contact information.

Table listing various financial services and trusts, including entries for Schlenger Trust Mgrs. Ltd. (a), Target Tr. Mgrs. (Scotland) (a), and others, with columns for name, address, and contact information.

Table listing offshore and overseas funds, including entries for Alexander Fund, Keyser Ullmann Ltd., and others, with columns for name, address, and contact information.

Vertical text on the left margin, possibly containing additional market data or commentary.

Vertical text on the right margin, possibly containing additional market data or commentary.

NOTES

Text at the bottom right of the page, likely providing notes or disclaimers regarding the fund listings.

FT SHARE INFORMATION SERVICE



BRITISH FUNDS

Table of British Funds with columns for Name, Price, and Yield. Includes sub-sections for 'Shorts' (Lives up to Five Years) and 'Five to Fifteen Years'.

INTERNATIONAL BANK

Table of International Bank shares with columns for Name, Price, and Yield.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Name, Price, and Yield.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Name, Price, and Yield.

BONDS & RAILS—Cont.

Table of Bonds & Rails with columns for Name, Price, and Yield.

AMERICANS

Table of American stocks with columns for Name, Price, and Yield.

CANADIANS

Table of Canadian stocks with columns for Name, Price, and Yield.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Name, Price, and Yield.

BANKS & HP—Continued

Table of Banks & HP with columns for Name, Price, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Name, Price, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Name, Price, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Name, Price, and Yield.

CHEMICALS, PLASTICS—Cont.

Table of Chemicals, Plastics with columns for Name, Price, and Yield.

ELECTRICAL AND RADIO

Table of Electrical and Radio with columns for Name, Price, and Yield.

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Name, Price, and Yield.

ENGINEERING—Continued

Table of Engineering with columns for Name, Price, and Yield.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools with columns for Name, Price, and Yield.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. with columns for Name, Price, and Yield.

Table of Food, Groceries, Etc. with columns for Name, Price, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Name, Price, and Yield.

INDUSTRIALS (Misc.)

Table of Industrials (Misc.) with columns for Name, Price, and Yield.

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SUBSCRIPTIONS: Copies obtainable from newspapers and bookshops worldwide or on regular subscription from Subscription Department, Financial Times, London.

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INDUSTRIALS—Continued

Table of industrial stocks including companies like Shell, BP, and various engineering firms, with columns for stock price, dividends, and other financial metrics.

INSURANCE—Continued

Table of insurance companies such as Lloyds, Prudential, and various regional insurers, listing their stock prices and financial data.

PROPERTY—Continued

Table of property-related stocks and trusts, including real estate investment trusts and property management companies.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering various asset classes, such as equity, income, and international funds.

FINANCE, LAND—Continued

Table of financial and land-related stocks, including banks, insurance companies, and land investment trusts.

DAIWA SECURITIES logo and header for the International Finance section.

MINES—Continued

Table of mining stocks, categorized by Australian and Overseas Traders, listing companies like Anglo American and De Beers.

TINS

Table of tin mining stocks, including companies like Anglo American and De Beers.

COPPER

Table of copper mining stocks, including companies like Anglo American and De Beers.

MISCELLANEOUS

Table of miscellaneous stocks, including various international and regional equities.

GOLDS EX-\$ PREMIUM

Table of gold mining stocks, including companies like Anglo American and De Beers.

NOTES

Notes section providing detailed information about the listed companies, including their financial performance, dividends, and other relevant data.

TEAS

Table of tea stocks, including companies like Anglo American and De Beers.

MINES

Table of mining stocks, including companies like Anglo American and De Beers.

CENTRAL RAND

Table of Central Rand mining stocks, including companies like Anglo American and De Beers.

EASTERN RAND

Table of Eastern Rand mining stocks, including companies like Anglo American and De Beers.

FAR WEST RAND

Table of Far West Rand mining stocks, including companies like Anglo American and De Beers.

INSURANCE

Table of insurance stocks, including companies like Lloyds and Prudential.

PROPERTY

Table of property stocks, including real estate investment trusts.

TOBACCO

Table of tobacco stocks, including companies like Anglo American and De Beers.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks, including various investment vehicles.

FINANCE

Table of finance stocks, including banks and financial institutions.

REGIONAL MARKETS

Table of regional market data, including stock prices and indices for various countries.

OPTIONS

Table of options data, including call and put options for various stocks.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks, including companies like Anglo American and De Beers.

CENTRAL AFRICAN

Table of Central African stocks, including companies like Anglo American and De Beers.

Rent from £1.25 sq ft... Fairview Creating fires for industry

VALUATIONS FOR C.C.A. Bernard Thorpe

Japan's shipbuilding share falls

JAPAN'S future as the world's leading shipbuilding nation could be in doubt because of the growth of shipbuilding in the developing world and protectionist tendencies in the West.

Mr. Huskisson declined to comment on UK Government policies for shipbuilding and shipping, but he said that a Conservative government would probably be unable to counter the global trends outlined in the report.

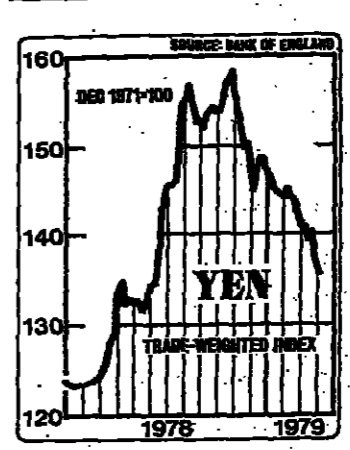
SHARE OF WORLD SHIPBUILDING ORDERS (%) Table with columns for Japan, Europe, and Others for years 1976, 1977, and 1978.

Two major issues await an incoming Government: British Shipbuilders' corporate plan and the desire of a number of major UK liner shipping companies to see the debt moratorium scheme granted last year to small bulk-ship companies extended to larger, more diverse companies.

An exit by the caretaker

Mr. Denis Healey went out in low key with his caretaker Finance Bill, and the markets are left to speculate on the ways in which it was "very different" from the Budget he had planned a week ago.

Index fell 6.9 to 525.3



relatively poor performance was that a one-fifth rise in operating costs was roughly double the rate of inflation. Profit sharing schemes and productivity payments nearly doubled the basic salary increases.

Bank of Scotland Bank of Scotland's pre-tax profits for 1978-79 are 18 per cent higher at £34.2m. Compared with Clydesdale Bank, where profits for calendar 1978 were just 5 per cent up.

Tories promise tough attitude on farm policy

A CONSERVATIVE Government would be as demanding as the present administration, if not tougher, in its negotiations on the Common Agricultural Policy, Mr. John Peyton, Tory spokesman on agriculture, made plain in London yesterday.



Mr. John Peyton, following in Labour's footsteps

Airlines announce fare rises up to 7%

AIR PASSENGER fares and cargo rates will be raised between 5 and 7 per cent from May 1 under an agreement reached yesterday by the scheduled airline members of the International Air Transport Association.

Pay offer to civil servants is 'final'

THE GOVERNMENT made it clear yesterday that its pay offer to 600,000 white-collar civil servants of 9 per cent plus further staged rises was "final".

Scottish poll boost for Labour

LABOUR ENTERS the General Election campaign with its electoral prospects in Scotland greatly improved since the devolution referendum.

Britain to repay \$5bn

as announced in early February, the reserves are to be revalued each March to reflect up-to-date values for gold and non-dollar assets.

Print union loses blacking appeal

THE National Graphical Association had "no right to use industrial strength to invade the freedom of the Press," Lord Denning, Master of the Rolls, said in a Court of Appeal judgment against the union yesterday.

BNOC buy Mesa oil interests

BNOC has pursued the relationship with Deminex as part of the Government's aim of strengthening ties between the UK and West Germany.

Weather UK TODAY... FIRE... why add to the problem with water?... Clinicon FIRE PROTECTION Waterless Sprinklers